WILLIAMSON TEA KENYA PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

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Williamson Tea Kenya Plc
Notice of Annual general meeting
For the year ended 31 March 2026

NOTICE IS HEREBY GIVEN that the 84th Annual General Meeting of the Shareholders will be held by electronic communication on Thursday, 20th August 2026 at 11.30 a.m. for the following purpose:

Ordinary Business:

1) To receive and adopt the report of the Directors together with the audited financial statements for the year ended 31 March 2026.

2) To Approve the final dividend of Kshs.15 per share payable on 2nd September 2026.

3) Election of Directors

a. Directors Retiring by Rotation
   i) In accordance with Article 108 of the Company's Articles of Association, Mr Ezekiel Ndichu Kimatu Wanjama retires by rotation and offers himself for re-election.
   ii) In accordance with Article 108 of the Company's Articles of Association, Mr Edward Charles Magor retires by rotation and offers himself for re-election

b. Directors appointed to fill casual vacancies on the Board
In accordance with Article 114 of the Company's Articles of Association the following directors are due for retirement, this being the first Annual General Meeting to be held since their appointment as Directors and being eligible, offer themselves for re-election:
   i) Mr. Angus Nyariki Omete
   ii) Mr. Alan Laurence Carmichael

4) In accordance with the provisions of Section 769 of the Companies Act 2015, the following directors being members of the Board Audit Committee, be appointed individually to continue to serve as members of the said committee:
   i) Mr. Mathew Koech
   ii) Mr. James Patrick Brooks
   iii) Mr. Edward Charles Magor

5) To approve the remuneration of the Directors

6) To note that PricewaterhouseCoopers LLP continue in office and to authorize Directors to agree their remuneration.

7) To transact such other business as may be brought before the meeting.

BY ORDER OF THE BOARD
Gilbert K Masaki

SECRETARY

25th **June 2026**

Directors	E N K Wanjama	- Chairman
	A L Carmichael	- Managing Director
	S N Thumbi	- Resigned 31 January 2026
	A N Omete	- Appointed 01 February 2026
	J P Brooks	
	M Koech	
	P Magor	
	E C Magor	
Board Committees:		
Governance & Audit Committee	M Koech	- Chairman
	J P Brooks	
	E C Magor	
Nominating Committee	E N K Wanjama	- Chairman
	A L Carmichael	- Managing Director
	P Magor	- Non-Executive Director
Staff &remuneration committee	E N K Wanjama	- Chairman
	A L Carmichael	- Managing Director
	P Magor	- Non-Executive Director
Company secretary/registrar	G K Masaki Certified Public Secretary (Kenya) P O Box 42281 - 00100 Nairobi	
Registered office	The Acacia Block, 2nd Floor, Karen Office Park, Langata Road P O Box 42281 - 00100 Nairobi	
Auditors	PricewaterhouseCoopers LLP PwC Tower, Waiyaki Way P O Box 43963 - 00100 Nairobi	
Bankers	Absa Bank Kenya Plc Absa Plaza Business Centre P O Box 30120 - 00100 Nairobi	
	Standard Chartered Bank Kenya Limited Kenyatta Avenue Branch P O Box 40310 - 00100 Nairobi	
	The Co-operative Bank of Kenya Limited Co-operative Bank House P O Box 48231 - 00100 Nairobi	
Lawyers	Kaplan & Stratton Williamson House, 9th Floor 4th Ngong Avenue P O Box 40111 - 00100 Nairobi	
	Walker Kontos Hakika House Bishops Road P O Box 60680 - 00200 Nairobi	

Williamson Tea Kenya Plc
Financial Highlights
For the year ended 31 March 2026

		2026	2025	2024	2023	2022
Tea Production						
Area under tea - Hectare		2,131	2,131	2,131	2,131	2,131
Made tea - own	'000 Kgs	6,969	7,507	7,885	6,448	7,087
- bought leaf	'000 Kgs	8,688	10,311	11,026	8,731	9,592
Total	'000 Kgs	15,657	17,818	18,911	15,179	16,679
Tea sold	'000 Kgs	16,038	19,724	16,986	15,990	16,175
Average gross price per Kg (Shs/Ct)		212/00	208/31	255/76	257/10	216/88
Revenue from tea and timber sales (Shs'000)		3,400,132	4,108,740	4,194,358	4,019,821	3,507,898
Profit (Shs'000)						
Profit/(Loss) before tax		223,694	(254,991)	684,731	842,275	578,258
Income tax credit / (expense)		(102,742)	89,209	(157,681)	(277,925)	(37,973)
Profit/(Loss) for the year from continuing operations		120,952	(165,782)	527,050	564,350	540,285
(Loss) from discontinued Operations		(153)	(657)	(97)	(69)	(10,438)
Profit/(Loss) for the year		120,799	(166,439)	526,953	564,281	529,847
Attributable to:						
Non - controlling interests		4,756	(13,045)	29,475	49,112	19,582
Equity holders of the parent		116,043	(153,394)	497,478	515,169	510,265
Profit/(Loss) for the year		120,799	(166,439)	526,953	564,281	529,847
Capital employed (Shs'000)						
Assets (Shs'000)						
Property, plant, and equipment		3,502,095	4,097,863	4,459,812	3,800,628	3,981,350
Right-of-use assets		4,183,349	94,768	102,512	77,378	83,081
Investments and other long-term assets		1,936,658	1,266,896	1,241,170	1,165,811	1,108,136
Biological assets		756,253	717,372	736,217	741,063	721,386
Current assets		2,084,139	2,189,755	2,491,795	2,643,147	2,259,334
Total assets		12,462,494	8,366,654	9,031,506	8,428,027	8,153,287
Liabilities (Shs'000)						
Medium and short-term borrowings		51,945	102,654	151,963	195,754	204,040
Long term lease liabilities		16,308	21,943	28,676	3,528	11,063
Other liabilities		734,773	885,791	875,764	623,152	640,886
Deferred income tax		1,656,967	1,035,025	1,163,505	1,068,928	982,667
Total liabilities		2,459,993	2,045,413	2,219,908	1,891,362	1,838,656
Net assets		10,002,502	6,321,241	6,811,598	6,536,665	6,314,631

Williamson Tea Kenya Plc
Financial Highlights
For the year ended 31 March 2026

		2026	2025	2024	2023	2022
Financed by (Shs'000)						
Share capital		175,126	87,563	87,563	87,563	87,563
Revaluation surplus		4,962,116	1,440,079	1,595,294	1,205,091	1,256,627
Retained earnings		4,481,321	4,540,348	4,841,571	4,984,848	4,754,004
Equity holders of parent company		9,618,563	6,067,990	6,524,428	6,277,502	6,098,194
Non – controlling interest		383,939	253,251	287,170	259,163	216,437
Shareholders' funds		10,002,502	6,321,241	6,811,598	6,536,665	6,314,631
			Restated - (Note 12)			
Earnings /(loss) per share	Shs	3.31	(4.38)	14.21	14.71	14.57
Proposed dividend per share (par value)	%	300	200	500	600	400
Proposed dividend per share	Shs	15	10	25	30	20
Proposed dividend cover	Times	0.22	(0.44)	0.57	0.49	0.73
Closing exchange rates	US $	129.93	129.32	131.80	132.33	114.95
	UK £	171.35	167.35	166.55	163.67	151.13

RESULTS

The Group reported a profit from continuing operations of KShs.121 million for the year ended 31 March 2026 compared to a loss of KShs 166 million in 2025.

Crop production was marginally lower than last year due to stricter quality controls on bought leaf together with a dry spell experienced during January and February 2026.

The year was characterised by continued inflationary pressures, rising labour costs, increased land rates, higher fuel prices and elevated energy costs arising from unreliable grid power supply. The tea industry also experienced disruption to shipping routes and additional cost pressures associated with global economic uncertainty.

During the year the Tea Board of Kenya introduced a tea levy of 0.8% which further increased operating costs within the sector. This follows a broader trend of increasing taxation, county levies, permits, licences and regulatory charges that continue to place additional burdens on agricultural producers.

The Board recognises the importance of taxation in supporting national and county development, with Williamson Tea a significant contributor to the Kenyan economy through employment, export earnings, taxes and investment in rural communities. However, there is growing concern across the sector that the cumulative effect of increasing taxes, levies and regulatory requirements risks reducing the international competitiveness of Kenyan tea at a time when producers are already facing rising costs and intense global competition.

The long-term success of the tea industry depends upon maintaining an appropriate balance between government revenue requirements and the need to encourage investment, employment, sustainability and export growth within one of Kenya's most important agricultural industries.

Despite these many challenges, improved cost control, operational efficiencies, development of new markets and a continued emphasis on tea quality resulted in an improvement in financial performance.

DIVIDENDS

Based on these results, your Directors are recommending a final dividend of KShs.15 per share (2025: KShs.10 per share).

OPERATIONS

The Board continues to place considerable emphasis on maintaining high standards in both field and factory operations. Productivity improvements, the use of state-of-the-art technology, quality enhancement and prudent cost management remain central to the Company's operating strategy.

Work commenced during the year on the installation of a 1.17MW solar power plant at Kapchorua. The project is expected to be commissioned by December 2026 and forms part of the Company's ongoing programme to reduce energy costs and increase the use of renewable energy sources.
Renewable energy development at Tinderet remains under consideration subject to future financial performance and available resources.

The Board also continues to support investments that strengthen climate resilience, improve resource efficiency and safeguard the natural assets upon which our business depends. These initiatives contribute both to long-term sustainability and to the future competitiveness of the Company.

MARKETS

Market conditions were mixed during the year. Demand in traditional tea consuming markets in Europe and the United Kingdom remained subdued, although opportunities continue to emerge in developing markets in the East.

The removal of the 15% tariff on Kenyan tea entering China was a welcome development and provides the potential for increased market access in future years.

MARKETS (continued)

The Board remains of the view that maintaining quality, strengthening customer relationships and expanding market opportunities are essential to the long-term success of the Company.

The international recognition of the Williamson Tea brand, built over many years, remains an important asset and provides a strong platform from which to pursue future growth opportunities in both existing and emerging markets.

SOCIAL CONTRIBUTION

The Group continues its long-standing commitment to education, healthcare and community development through the Williamson Tea Foundation.

The Foundation supports schools, health facilities, water projects, conservation initiatives and other community programmes. During the year the Group continued its support for projects that contribute to improved livelihoods, educational opportunities and environmental stewardship across the communities in which we operate, both on our farms and those in the surrounding areas.

The Group continues to maintain certification under ISO 22000, FSSC 22000 and Rainforest Alliance standards.

ENVIRONMENT

The Company continues to support environmentally sustainable farming practices including soil conservation, tree planting, natural forest protection and responsible water management.

We remain committed to preserving indigenous and primeval forest areas across our farms together with programmes designed to enhance biodiversity, increase carbon sequestration and strengthen climate resilience throughout our operations.

Renewable energy development and the introduction of carbon emission reduction technologies remain an important priority and forms part of the Company's wider commitment to responsible environmental management.

STAFF

The number of permanent and seasonal employees exceeded 1,000 during the year, with more than 3,000 dependents benefiting from the social and welfare facilities provided by the Group.

In addition, the Group's operations support a network of more than 14,000 registered smallholder farmers supplying leaf to our factories, contributing significantly to rural employment and economic activity within our areas of operation.

The Company continues to provide medical services through its health clinics and supports various educational programmes and bursary schemes in Bomet and Nandi Counties.

During the year, over KShs.82 million was spent on pension contributions, gratuities, leave and medical benefits in addition to direct wages.

MANAGEMENT AND GOVERNANCE

Following many years of distinguished service, Mr. Alan Carmichael stepped down from his executive responsibilities during the year. The Board records its appreciation for his significant contribution to the development and success of the business.

Mr. Angus Nyariki Omete was appointed Managing Director with effect from 1 April 2026. Angus has served within the Group for over twenty-six years and brings extensive operational, financial and management experience to the position.

MANAGEMENT AND GOVERNANCE (continued)

The Board also records its appreciation to Mr. Samuel Ndungu Thumbi upon his retirement and welcomes Mr. Ronald Ngala as Visiting Agent.

Following Angus Omete's appointment as Managing Director, Mr. Timan Muthomi was appointed Chief Accountant.

OUTLOOK

The Board remains committed to creating long-term value for shareholders while continuing to support employees, smallholder farmers, local communities and the environment upon which the future success of the business depends.

Cost pressures and economic uncertainty are expected to continue, with the Board increasingly concerned by the continued growth in sector-specific taxes, levies and regulatory costs at both national and county levels which affect the industry's long-term competitiveness.
Policies that encourage investment, productivity and market competitiveness will be essential if the sector is to continue delivering benefits to shareholders, employees, smallholder farmers, local communities and the wider Kenyan economy.

In conclusion, I would like to thank our management and staff for their efforts during the year and my fellow Directors for their continued support and guidance.

E.N.K. WANJAMA

Chairman

25th **June 2026**

Corporate Governance is the process and structure used to direct and manage business affairs of the Group and the Company towards enhancing prosperity and corporate accounting with the ultimate objective of realizing shareholders long-term value while taking into account the interest of other stakeholders. The principles and standards adhered to by the Board have been developed with close reference to guidelines on corporate governance issued by the Capital Markets Authority, Code of Corporate Governance Practices for Issuers of Securities to The Public 2015 ("the Code") and other global best practices.

The Group continues to consider recommendations of the "Code" and implement them where appropriate.

BOARD OF DIRECTORS

The Board consists of seven directors, five of whom are non-executive Directors including the Chairman. Among the non-executive directors are three independent Directors. All the non-executive Directors are subject to retirement by rotation and must seek re-election by shareholders at least once every three years in accordance with the Company's Articles of Association.

The composition of the Board is set with the aim of having a Board with an appropriate balance of skills and experience to support the Group and the Company's strategy and to lead the Company effectively.

There's a clear division of responsibility between the Chairman and the Managing Director. The Chairman is responsible for the leadership of the Board ensuring its effectiveness; and he sees that they are given appropriate and timely information to enable them to properly discharge their responsibilities. He also ensures effective communication with shareholders and facilitates relations between the different Board Members. The Managing Director is responsible for the day-to-day management of the Group and the Company, and the execution of the strategy agreed upon by the Board.

The Board is responsible for formulating policies and strategies and ensuring that the business objectives aimed at promoting and protecting the shareholders' value while taking into account the interest of other stakeholders, are achieved. The Board ensures that procedures and practices are set in place to ensure effective control over strategic, financial, operational, and compliance issues. The Board meets to review the annual budget and half-year and annual accounts and to monitor operational performance. The Directors are given appropriate and timely information to enable them to maintain full and effective control. Except for direction and guidance on general policy, the Board has delegated authority for the conduct of the day-to-day business to the Managing Director assisted by a team of able managerial staff.

The full Board meets at least once every quarter for scheduled meetings and on other occasions as required for consideration of exceptional matters. A timetable of calendar dates for Board meetings to be held during the year is circulated in advance to the Board. The notice of board meetings is distributed together with the agenda and Board papers to all Directors beforehand.

The Company Secretary is always available to the Board of Directors and is a member of both the Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Certified Public Secretaries of Kenya (ICS). The Group Chief Financial Officer is also a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and the Institute of Certified Public Secretaries of Kenya (ICS).

BOARD REMUNERATION

Non-executive Directors are paid an annual fee together with a sitting allowance for every meeting attended. The aggregate number of emoluments paid to Directors for services rendered during the financial year is disclosed in note 7 to the financial statements.

DIRECTORS' SHAREHOLDING

None of the Directors as at end of the year 31 March 2026 held shares in their individual capacity that were more than 2% of the Company's total equity (2025: None). The Directors' interest in the shares of the Company as at 31st March 2026 is summarized below:

Name	Number of Shares	
	2026	2025
E N K Wanjama	400	200

COMMITTEES OF THE BOARD

The Board has three standing committees, which meet under the terms of reference set by the Board.

GOVERNANCE AND AUDIT COMMITTEE

The Governance and Audit committee was constituted by the Board in 1998 and compromises three non-executive Directors and professionals. The committee meets at least four times in the year.
The responsibilities of the committee include:

- All areas of corporate governance, with specific reference to issues of risk management;
- Review of interim and annual financial statements to ensure compliance with disclosure requirements;
- Maintenance and review of Group's system of accounting and internal controls; and
- Liaising with external auditors of the Group.

Every year, the committee visits each of the Group's farms for a full day. In addition, the committee meets with the external auditors once every year and other times when deemed necessary.

The Board of the Group has a nominating committee consisting of independent and non-executive Directors. This committee is responsible for proposing new nominees for the Board and for assessing the performance and effectiveness of all the Directors.

STAFF AND REMUNERATION COMMITTEE

There is a staff and remuneration committee consisting of one executive and two non-executive Directors. The committee is responsible for the remuneration and incentives for the Board and the senior management and for the structure of remuneration packages and submits its recommendations to the Board.

INTERNAL CONTROLS

The Board is responsible for the Group's and the Company's system of internal controls and for reviewing their effectiveness. The Group and Company has defined procedures and financial controls to ensure the reporting of complete and accurate accounting information.

The systems in place are designed to ensure that authority is obtained for any major transaction and that the Group and the Company comply with all Kenyan laws and regulations, including those that govern sound financial management. Procedures are in place to ensure that all assets are subject to proper physical controls and these are professionally re-valued every three years.

The Group's internal audit reviews policy, systems and procedures on a regular basis and reports to the Governance and Audit Committee.

COMMUNICATION WITH SHAREHOLDERS

The Group is committed to ensuring that there's open and good communication with investors through the Annual General Meeting, distribution of the Group's annual report and the release of notices of its half-yearly and annual results in the press and the Company website: www.williamsontea.com.

SHAREHOLDING PROFILES

The Company, through its registrar, files return regularly in line with Capital Markets Authority and the Nairobi Securities Exchange under the listing regulations on transactions related to shareholders.

PRINCIPAL SHAREHOLDERS

At 31 March 2026, the top 10 major shareholders were as follows;

	Name	Location	No of shares	%
1	Ngong Tea Holdings Limited	London	18,024,656	51.46
2	Baloobhai Chhotabahi Patel & Amarjeet Patel	Nairobi	1,337,663	3.82
3	Upstream Investments Limited	Nairobi	1,298,692	3.71
4	CTC Global Investment Limited	Mauritius	1,231,800	3.52
5	Garot International Limited	Nairobi	950,600	2.71
6	Standard Chartered Nominees A/C KE000954	Nairobi	410,000	1.17
7	Standard Chartered Nominees A/C 9280	Guinea	334,400	0.95
8	NCBA Custodial Services	Nairobi	284,500	0.81
9	Njoroge Wamunyuah	Nairobi	235488	0.67
10	Adam Mohammed Aslam Alimohamed	Nairobi	207,824	0.59

Analysis of shareholders

By region:

	Number	Shares held	%
Foreign shareholders	95	20,500,336	58.53
Local & East Africa shareholders (Individual)	3,176	10,112,487	28.87
Local & East Africa shareholders (others)	134	4,412,457	12.60
	3,405	35,025,280	100.00

By shares distribution:

Less than 501	1,747	256,662	0.73
501-10,000	1,440	3,538,996	10.11
10,001- 100,000	189	4,017,387	11.47
100,001-1,000,000	25	5,319,424	15.19
Above 1,000,000	4	21,892,811	62.50
	3,405	35,025,280	100.00

2025/2026 BOARD & BOARD COMMITTEES MEMBERSHIP AND ATTENDANCE

Director	Classification	Designation		Board	Governance & Audit	Nominating and Staff & Remuneration
Ezekiel N.K Wanjama	Non-executive	Chairman of the Board; Nominating and staff & remuneration committee	Membership	√		√
			Attendance	4/4		1/1
Alan L Carmichael	Executive	Managing Director	Membership	√		√
			Attendance	4/4		1/1
Mathew Koech	Non-executive	Chairman of Governance & Audit Committee	Membership	√	√	
			Attendance	4/4	3/3	
JP Brooks	Non-executive		Membership	√	√	
			Attendance	4/4	3/3	
P Magor	Non-executive		Membership	√		√
			Attendance	4/4		1/1
E Magor	Non-executive		Membership	√	√	
			Attendance	4/4	3/3	
A N Omete	Executive	Executive Director	Membership	√		
			Attendance	1/4		

√ Member of respective committee

- Where a director has missed a Board or Board Committee meeting, an acceptable apology had been received by the Chairman well in advance of the scheduled meeting; and
- The Managing Director and Chief Financial Officer are not members of the Governance and Audit Committee but attend by invitation.

E N K Wanjama
Chairman
25th June 2026

A N Omete
Director
25th June 2026

The Directors remuneration report sets out the remuneration arrangements for the Directors of Williamson Tea Kenya Plc for the year ended 31 March 2026.

REMUNERATION POLICY FOR EXECUTIVE AND NON-EXECUTIVE DIRECTORS

The Group and the Company seek to provide remuneration packages that will attract, retain and motivate the right people with the necessary experience and ability to oversee the business. The remuneration package includes salaries, allowances, pension, and other non-cash benefits for the executive Directors. The value of benefits provided is reasonable in the market context and takes account of the individual circumstances and benefits provided in comparable roles for companies within the industry.

The non-executive directors are paid annual fees plus allowances for attending meetings. The amount of fees reflects the attached responsibility and time commitment. Additional fees are paid for further responsibilities such as visiting the farms and attending other meetings as may be required for the business.

Travel and other costs incurred in the course of performing their duties are reimbursed in cash.

CHANGES TO DIRECTORS' REMUNERATION

The remuneration package is subject to annual review, which considers both internal and external factors, responsibilities, inflation, and company performance.

The auditable part of the Directors' Remuneration Report
Directors' remuneration
Non-Executive Directors

Name	2026			2025		
	Fees Shs'000	Sitting & other allowances Shs'000	Total Shs'000	Fees Shs'000	Sitting & other allowances Shs'000	Total Shs'000
Phillip Magor	5,282	300	5,582	5,005	200	5,205
Edward Magor	5,282	400	5,682	5,005	400	5,405
Mathew Koech	1,350	350	1,700	1,350	350	1,700
ENK Wanjama	1,500	350	1,850	1,500	250	1,750
JP Brooks	1,350	350	1,700	1,350	400	1,750
Total	**14,214**	**1,750**	**16,514**	**14,210**	**1,600**	**15,810**

Executive Directors

Name	2026				2025			
	Salaries & allowances Shs'000	Gratuity/ Pension Shs'000	Non-cash benefits Shs'000	Total Shs'000	Salaries & allowances Shs'000	Gratuity/ Pension Shs'000	Non-cash benefits Shs'000	Total Shs'000
Alan Carmichael	44,635	19,869	9,358	73,862	34,803	10,105	7,316	52,224
Samuel Thumbi	27,376	1,039	3,738	32,153	27,260	2	5,324	32,586
Total	**72,011**	**20,908**	**13,096**	**106,015**	**62,063**	**10,107**	**12,640**	**84,810**

There were no other sums paid to third parties in respect of Directors' fees.

APPROVAL OF THE DIRECTORS' REMUNERATION REPORT

The Directors confirm that this report has been prepared in accordance with the Companies Act.

BY ORDER OF THE BOARD

E N K Wanjama
Chairman

25 **June 2026**

The Directors present their report together with the audited financial statements of Williamson Tea Kenya Plc (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2026 which show the state of financial affairs of the Group and the Company.

ACTIVITIES

The principal activities of the Group are the cultivation, manufacture and sale of tea and investment in property.

GROUP RESULTS

	2026 Shs'000	2025 Shs'000
Profit /(loss) before income tax	223,694	(254,991)
Income tax (expense) /credit	(102,742)	89,209
Profit /(loss) for the year	120,952	(165,782)
Loss from discontinued operations	(153)	(657)
	120,799	(166,439)
Attributable to:		
Owners of the company	116,043	(153,394)
Non-controlling interests	4,756	(13,045)
Profit /(Loss) for the year	120,799	(166,439)

DIVIDENDS

The Directors recommend that a final dividend of Shs.15 per share (2025: Shs 10 per share) equivalent to a total sum of Shs.525,379,200 for the year ended 31 March 2026 (2025: Shs 175,126,400) be paid to the shareholders. The dividend is subject to approval by the shareholders at the next Annual General Meeting.

DIRECTORS

The current Board of Directors is shown on page 2.

BUSINESS REVIEW

Performance

The Group crop production decreased by 7% from 17.8 million kilos to 15.7 million kilos of made tea. The volumes of tea sold also reduced by 19% from 19.7 million kilos sold last year to 16.0 million kilos sold this year. The turnover for the group decreased by 17% to Shs 3.4 billion compared to Shs 4.1 billion reported last year. The average tea prices also increased by 2% from Shs 208 per kilo of made tea last year to Shs 212 per kilo of made tea realized this year. The Group recorded a total profit from continuing operations of Shs 121 million compared to Shs 166 million loss in the previous year.

Principal risks & uncertainties

The Directors constantly review whether the policies and risk management programs in place are appropriate and effective to manage and minimize the exposure in the long term.

BUSINESS REVIEW (Continued)

Principal risks & uncertainties (Continued)

The risks that the Group is exposed to include:

- Agricultural risk, which mainly entails climatic changes ranging from drought, floods and other adverse weather conditions, that have a significant impact on crop production. The Group has put in place sound agricultural practices to mitigate this agricultural risk.
- Financial risks which span across the markets and the financial aspects of the Group. These include the market risks, price risk, credit risk, currency risk, foreign exchange fluctuations exposure, liquidity risk, interest rate risk and other regulatory and taxation risks, both national and local, that affect the market and financial sector operations that could have a ripple effect on the Group.
- Operational risks mainly include both internal and external factors that affect the Group processes, personnel, technology, and infrastructure. The legal and regulatory requirements plus other generally acceptable standards of corporate behavior can have a significant impact on the company's operations. Demands from the labor unions have giving rise to increased labor costs, land tenure issues that affect the investment decisions of the Group, various internal and external political risks, and different levels of governance structures that affect the state of the infrastructure among others affect the operations of the Group.
- Environmental and social sustainability risks, which require development of policies and practices, that promote co-existence of the Group with both internal and external stakeholders. The Group continues to be actively and seriously involved in Corporate Social Responsibilities with the local communities and preserve the environment as a critical aspect of sustainability and growth.

The Directors recognise the long-term nature of the business, its risks and uncertainties and retain a clear commitment to progress with emphasis on human capital, which remains the most prized asset of the Group. The Directors and the management team continuously explore new ideas in order to fit in with the changing environment as they focus on enhancing shareholder value.

More details on the business review have been covered under the Chairman's Statement on pages 5 to 7 and the statement of Corporate Governance on pages 8 to 11.

DIRECTORS' STATEMENT AS TO INFORMATION GIVEN TO AUDITORS

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

TERMS OF APPOINTMENT OF THE AUDITORS

PricewaterhouseCoopers LLP, having expressed their willingness, will continue in office in accordance with the provisions of section 721 (2) of the Companies Act, 2015. The Directors monitor the effectiveness, objectivity and independence of the auditor. The Directors also approve the annual audit engagement contract, which sets out the terms of the auditor's appointment and the related fees.

BY ORDER OF THE BOARD

G K Masaki
Secretary

25th **June 2026**

Williamson Tea Kenya Plc
Statement of Directors' Responsibilities
For the year ended 31 March 2026

The Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that: (a) show and explain the transactions of the company; disclose with reasonable accuracy at any time the financial position of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act.

The directors
accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and in the manner required by the Companies Act. They also accept responsibility for:

(i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
(ii) selecting suitable accounting policies and applying them consistently; and
(iii) making accounting estimates and judgments that are reasonable in the circumstances.

Having assessed the Group's and Company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Group's and Company's ability to continue as a going concern.

The Directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Board of Directors on 25th June 2026 and signed on its behalf by:

E N K Wanjama
Chairman

A N OMETE
Director

Independent auditor's report to the Shareholders of Williamson Tea Kenya Plc

Report on the audit of the financial statements

Our Opinion

We have audited the accompanying financial statements of Williamson Tea Kenya Plc (the 'Company') and its subsidiaries (together, the Group) set out on pages 22 to 98, which comprise the consolidated statement of financial position at 31 March 2026 and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, together with the Company statement of financial position at 31 March 2026, and the Company statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31 March 2026 and of their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements that are applicable to our audit of financial statements in Kenya. We have also fulfilled our ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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T: +254 (20) 285 5000 F: +254 (20) 285 5001

Partners: J Aroi E Kerich P Kiambi B Kimacia M Mugasa F Muriu P Ngahu R Njoroge S O Norbert's B Okundi K Saiti

Key Audit Matter	How our audit addressed the key audit matter
Valuation of biological assets As disclosed in note 3(ii) and 19 of the financial statements, the Group and the Company have significant biological assets consisting of unharvested green leaf and tree plantations for fuel and timber sales. The biological assets are carried at fair value less estimated costs to sell. The Group and the Company estimate the fair value less costs to sell of biological assets based on the biological transformation of the assets and the prevailing market prices per cubic meter at the valuation date. The Group and the Company applies significant assumptions and estimates in determining the fair value less costs to sell of the biological assets based on both observable and non-observable data. The most significant assumptions and estimates include expected market prices, estimated costs to sell, biological transformation (current annual increment in volume of timber), maturity period for fuel and timber plantations, survival rate of timber trees and the applicable discount rate for calculation of the present value of projected future cash flows. The assumptions and uncertainties involved in these estimates and judgements could have a material impact on the financial results and financial position of the Group and the Company.	We assessed management's process and controls for determination of the fair value of the biological assets, including oversight from those charged with governance. Performed, on a sample basis, a physical verification of the acreage of the biological asset to confirm the existence of the assets. Validated the significant assumptions in the valuation models against available market information or other independent sources of information. Tested the non-observable inputs used in the model against the underlying information to assess their accuracy, reliability and completeness. Subjected the key assumptions used in the model to a sensitivity analysis. Tested the mathematical accuracy of the valuation models. Assessed the adequacy and consistency of the related disclosures in the financial statements in accordance with the requirements of IFRS Accounting Standards.

Other information

The other information comprises the Notice of the Annual General Meeting, Corporate Information, Financial Highlights, Chairman's Statement, Statement of Corporate Governance, Directors' Remuneration Report, Report of the Directors and Statement of Directors' Responsibilities, which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in this report, we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information we have received prior to the date of this auditor's report we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

pwc

Independent auditor's report to the Shareholders of Williamson Tea Kenya Plc (continued)

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

Independent auditor's report to the Shareholders of Williamson Tea Kenya Plc (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Group's financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other matters prescribed by the Companies Act, 2015

Report of the directors

In our opinion the information given in the report of the directors' on pages 15 to 17 is consistent with the financial statements.

Directors' remuneration report

In our opinion the auditable part of the directors' remuneration report on pages 13 and 14 has been properly prepared in accordance with the Companies Act, 2015.

FCPA Michael Mugasa, Practicing Certificate Number 1478
Engagement partner responsible for the audit
For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

25 June 2026

UNIQUE CODE: 96835260625

Consolidated statement of profit or loss

	Notes	2026 Shs'000	2025 Shs'000
Continuing operations			
Revenue from contracts with customers	5	3,400,132	4,108,740
Gains/(losses) from changes in fair value of biological assets			
- Timber trees	21	8,323	6,484
- Fuel trees	21	110,450	56,262
- Unharvested green leaf	21	(1,986)	(6,477)
Operating income		3,516,919	4,165,009
Cost of sales	6	(3,056,349)	(3,987,965)
Gross profit		460,570	177,044
Other income	5	108,951	38,904
Distribution costs	7	(198,804)	(282,758)
Administrative expenses	7	(295,527)	(269,141)
Operating profit /(loss)		75,190	(335,951)
Interest Income	8	38,350	26,774
Finance Income /(Cost)	8	32,243	(17,487)
		145,783	(326,664)
Share of profit after tax of associate accounted for using the equity method	18	77,911	71,673
Profit/(loss) before income tax		223,694	(254,991)
Income tax (expense) /credit	11	(102,742)	89,209
Profit /(loss) from continuing operations		120,952	(165,782)
Loss from discontinued operations	41	(153)	(657)
Profit /(loss) for the year		120,799	(166,439)
Profit for the year comprising:			
Attributable to:			
Owners of the Company		116,043	(153,394)
Non – controlling interests	26	4,756	(13,045)
		120,799	(166,439)
			Restated
Earnings per share – basic and diluted (Shs per share)	12	3.31	(4.38)

Consolidated statement of other comprehensive income

	Notes	2026 Shs' 000	2025 Shs' 000
Profit /(loss) for the year		120,799	(166,439)
Other comprehensive income, net of tax:			
Items that will not be reclassified subsequently to profit or loss			
Gain on revaluation of leasehold land		3,693,323	-
Deferred income tax thereon		(553,998)	-
Share of other comprehensive income/(loss) of associate accounted for using the equity method	18	573,281	(6,560)
Re-measurement of post-employment benefits obligation	28	32,831	(51,098)
Deferred income tax thereon		(9,849)	15,329
Total other comprehensive income for the year		3,735,588	(42,329)
Total comprehensive income for the year		3,856,387	(208,768)
Total comprehensive income for the year comprising:			
Attributable to:			
Owners of the company		3,725,699	(193,747)
Non - controlling interests	26	130,688	(15,021)
		3,856,387	(208,768)

Company statement of profit or loss and other comprehensive income

	Notes	2026 Shs' 000	2025 Shs' 000
Revenue from contract with customers	5	1,143,147	1,401,123
Gains/(losses) from changes in fair value of biological assets			
- Timber trees	21	4,240	2,366
- Fuel trees	21	30,756	23,786
- Unharvested green leaf	21	(1,062)	(5,949)
Operating income		1,177,081	1,421,326
Cost of sales	6	(1,003,045)	(1,337,286)
Gross profit		174,036	84,040
Other income	5	86,636	19,043
Dividend income		77,389	223,963
Distribution costs	7	(69,686)	(113,384)
Administrative expenses	7	(186,689)	(136,628)
Operating profit		81,686	77,034
Interest income	8	10,407	3,880
Finance Income/ (cost)	8	8,409	(4,669)
Profit before income tax		100,502	76,245
Income tax (expense)/credit	11	(61,883)	37,039
Profit for the year		38,619	113,284
Other comprehensive income, net of tax:			
Items that will not be reclassified subsequently to profit or loss			
Gain on revaluation of leasehold land		1,835,374	-
Deferred income tax thereon		(275,306)	
Re-measurement of post-employment benefits obligation	28	14,595	(21,457)
Deferred income tax thereon		(4,378)	6,437
		1,570,285	(15,020)
Total other comprehensive income for the year		1,608,904	98,264

Consolidated statement of financial position

ASSETS	Notes	2026 Shs'000	2025 Shs'000
Non- current assets			
Property, plant, and equipment	14	3,502,095	4,097,863
Intangible assets	15	377	872
Right-of-use assets	16	4,183,349	94,768
Investment properties	17	506,200	410,000
Investments accounted for using the equity method	18	1,404,253	830,441
Financial assets at fair value through profit or loss	20	25,828	25,583
Biological assets – timber and fuel trees	21	756,253	717,372
		10,378,355	6,176,899
Current assets			
Cash and bank balances	24	931,219	818,022
Current income tax	11	73,753	78,410
Trade and other receivables	23	394,535	571,760
Inventories	22	628,569	663,361
Biological assets – growing green leaf	21	24,228	26,214
		2,052,304	2,157,767
Assets classified as held for sale	41	31,835	31,988
		2,084,139	2,189,755
Total assets		12,462,494	8,366,654
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	25	175,126	87,563
Other reserves	25	4,962,116	1,440,079
Retained earnings		4,481,321	4,540,348
Capital and reserves attributable to owners of the company		9,618,563	6,067,990
Non – controlling interests	26	383,939	253,251
Shareholders' funds		10,002,502	6,321,241

Consolidated statement of financial position (continued)

	Notes	2026 Shs'000	2025 Shs'000
Non- current liabilities			
Deferred income tax	27	1,656,966	1,035,025
Post-employment benefits obligation	28	205,612	214,509
Borrowings	29	-	50,556
Lease liabilities	35	16,308	21,943
		1,878,886	1,322,033
Current liabilities			
Borrowings	29	51,945	52,098
Trade and other payables	30	438,110	578,059
Dividends payable	31	85,416	86,490
Lease liabilities	35	5,635	6,733
		581,106	723,380
Total equity and liabilities		12,462,494	8,366,654

The financial statements on pages 22 to 98 were approved and authorised for issue by the Board of Directors on 25th June 2026 and were signed on its behalf by:

E N K Wanjama
Chairman

A N Omete
Director

Company statement of financial position

	Notes	2026 Shs'000	2025 Shs'000
ASSETS			
Non- current assets			
Property, plant, and equipment	14	1,249,295	1,792,505
Intangible assets	15	174	468
Right-of-use assets	16	2,267,067	34,380
Investment properties	17	505,000	410,000
Investments accounted for using the equity method	18	49,504	49,504
Investment in subsidiaries	19	106,188	106,188
Financial assets at fair value through profit or loss	20	10,430	10,331
Biological assets	21	219,487	219,134
		4,407,145	2,622,510
Current assets			
Cash and bank balances	24	282,020	485,047
Current income tax	11	27,488	31,561
Trade and other receivables	23	205,068	176,310
Inventories	22	270,878	260,477
Biological assets- growing green leaf	21	10,382	11,444
		795,836	964,839
Total assets		5,202,981	3,587,349
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	25	175,126	87,563
Other reserves	25	2,262,642	747,167
Retained earnings		1,604,691	1,773,951
Shareholders' funds		4,042,459	2,608,681
Non- current liabilities			
Deferred income tax	27	759,573	432,017
Post-employment benefits obligation	28	81,016	83,908
Lease liabilities	35	16,308	21,943
		856,897	537,868
Current liabilities			
Trade and other payables	30	212,574	349,526
Dividends payable	31	85,416	86,490
Lease liabilities	35	5,635	4,784
		303,625	440,800
Total equity and liabilities		5,202,981	3,587,349

The financial statements on pages 22 to 98 were approved and authorised for issue by the Board of Directors on 25th June 2026 and were signed on its behalf by:

E N K Wanjama
Chairman

A N Omete
Director

Consolidated statement of changes in equity

	Notes	Share capital Shs'000	Other reserves Shs'000	Retained earnings Shs'000	Equity attributable to owners of the company Shs'000	Non – controlling interests Shs'000	Total Shs'000
Year ended 31 March 2025							
At start of year		87,563	1,595,294	4,841,571	6,524,428	287,170	6,811,598
Loss for the year		-	-	(153,395)	(153,395)	(13,045)	(166,440)
Other comprehensive income		-	(40,353)	-	(40,353)	(1,976)	(42,329)
Transfer of excess depreciation		-	(164,090)	164,090	-	-	-
Deferred income tax on excess depreciation		-	49,228	(49,228)	-	-	-
Transaction with owners:							
Dividends paid	31	-	-	(262,690)	(262,690)	(18,898)	(281,588)
At end of year		87,563	1,440,079	4,540,348	6,067,990	253,251	6,321,241
Year ended 31 March 2026							
At start of year		87,563	1,440,079	4,540,348	6,067,990	253,251	6,321,241
Bonus share		87,563	-	(87,563)	-	-	-
Profit for the year		-	-	116,043	116,043	4,756	120,799
Other comprehensive income		-	3,609,656	-	3,609,656	125,932	3,735,588
Transfer of excess depreciation		-	(125,170)	125,170	-	-	-
Deferred income tax on excess depreciation		-	37,551	(37,551)	-	-	-
Transaction with owners:							
Dividends paid	31	-	-	(175,126)	(175,126)	-	(175,126)
At end of year		175,126	4,962,116	4,481,321	9,618,563	383,939	10,002,502

Company statement of changes in equity

	Notes	Share capital Shs'000	Other reserves Shs'000	Retained earnings Shs'000	Total Shs'000
Year ended 31 March 2025					
At start of year		87,563	835,533	1,850,011	2,773,107
Profit for the year		-	-	113,284	113,284
Other comprehensive income		-	(15,020)	-	(15,020)
Transfer of excess depreciation		-	(104,780)	104,780	-
Deferred income tax on excess depreciation		-	31,434	(31,434)	-
Transaction with owners:					
Dividends paid		-	-	(262,690)	(262,690)
At end of year		87,563	747,167	1,773,951	2,608,681
Year ended 31 March 2026					
At start of year		87,563	747,167	1,773,951	2,608,681
Profit for the year		-	-	38,619	38,619
Bonus shares		87,563	-	(87,563)	-
Other comprehensive income		-	1,570,285	-	1,570,285
Transfer of excess depreciation		-	(86,792)	86,792	-
Deferred income tax on excess depreciation		-	26,037	(26,037)	-
Transfer on disposal of assets		-	5,945	(5,945)	-
Transaction with owners:					
Dividends paid	31	-	-	(175,126)	(175,126)
At end of year		175,126	2,262,642	1,604,691	4,042,459

Consolidated statement of cash flows
For the year ended 31 March 2026

	Notes	2026 Shs'000	2025 Shs'000
Cash flows from operating activities			
Cash generated from operations	32	479,679	573,681
Interest received	8	38,350	26,774
Interest paid on borrowings	29	(3,593)	(6,338)
Interest paid on lease liabilities	35	(2,048)	(2,841)
Income tax paid	11	(17,996)	(35,718)
Net cash flows from operating activities		494,392	555,558
Cash flows from investing activities			
Purchase of property, plant, and equipment	14	(231,458)	(146,302)
Purchase of intangible assets	15	-	(875)
Proceeds from disposal of property, plant, and equipment		259	12,322
Additions to biological assets	21	(7,462)	(6,726)
Dividend received from associate		77,389	46,428
Net cash flows from investing activities		(161,272)	(95,153)
Cash flows from financing activities			
Repayment of lease liabilities	35	(6,733)	(5,605)
Repayment of borrowings	29	(51,487)	(47,861)
Proceeds from borrowings	29	552	1,170
Dividends paid to shareholders	31	(176,200)	(289,633)
Dividends paid to minority interest	26	-	(18,898)
Net cash flows from financing activities		(233,868)	(360,827)
Increase / (decrease) in cash and cash equivalents		99,252	99,578
At start of year		818,022	716,278
Effects of exchange rate changes		13,945	2,166
At end of year	24	931,219	818,022

Company statement of cash flows
For the year ended 31 March 2026

	Notes	2026 Shs'000	2025 Shs'000
Cash flows from operating activities			
Cash generated from operations	32	(57,331)	446,744
Interest received	8	10,407	3,880
Interest paid on lease liabilities	35	(2,242)	(2,665)
Income tax paid	11	(9,724)	(11,193)
Net cash flows from operating activities		(58,890)	436,766
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(54,079)	(30,414)
Purchase of intangible assets	15	-	(375)
Proceeds from disposal of property, plant and equipment		257	1,071
Additions to biological assets	21	(1,064)	(1,754)
Dividend received - from subsidiaries and associate		77,389	223,963
Net cash flows from investing activities		22,503	192,491
Cash flows from financing activities			
Repayment of lease liabilities	35	(4,784)	(4,026)
Dividends paid to shareholders	31	(176,200)	(289,633)
Net cash flows from financing activities		(180,984)	(293,659)
Decrease in cash and cash equivalents		(217,371)	335,598
At start of year		485,047	148,093
Effects of exchange rate changes		14,344	1,356
At end of year	24	282,020	485,047

Notes

1 REPORTING ENTITY

Williamson Tea Kenya Plc (The "Company/Parent") and its subsidiaries (together, the "Group") have the following principal activities; the cultivation, manufacture and sale of tea and investment in property. Williamson Tea Kenya Plc is incorporated in Kenya under the Kenyan Companies Act as a public limited liability company and is domiciled in Kenya. The Company's shares are listed on the Nairobi Securities Exchange (NSE). Williamson Tea Kenya Plc and its subsidiaries operate in Kenya.

The address of the Group's registered office is as follows:

Karen Office Park
Acacia Block 2nd Floor
Lang'ata Road
PO BOX 42281-00100
Nairobi

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A. Statement of compliance

The consolidated and company financial statements ("financial statements") have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act.

For the Companies Act reporting purposes the balance sheet is represented by the statement of financial position and the profit and loss account is represented in the statement of profit or loss and other comprehensive income.

Changes in accounting policy and disclosures

(i) New standards, amendments and interpretations adopted

The Company has applied the following applicable standards and amendments for the first time for the annual reporting period commencing 1 April 2025:

Number	Effective date	Executive summary
Amendments to IAS 21 - Lack of Exchangeability	Annual periods beginning on or after 1 January 2025 (Published August 2023)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

(ii) New standards, interpretations and amendments issued but not effective

At the date of authorisation of these financial statements, the Company had not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

The Company has not done an assessment of the extent to which the standard will impact its financial statement's presentation and disclosures.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

Changes in accounting policy and disclosures (Continued)

(ii) New standards, interpretations and amendments issued but not effective (continued)

Number	Effective date	Executive summary
Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency	Annual periods beginning on or after 1 January 2027, but can be early adopted subject to local endorsement where required. (Published November 2025)	These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if: • its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or • it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy. The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	Annual periods beginning on or after 1 January 2026, but can be early adopted subject to local endorsement where required. (Published December 2024)	These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendment (see separate section below for the amendment)	Annual periods beginning on or after 1 January 2027. Earlier application is permitted. (Published May 2024 and amended in August 2025)	This new standard and amendment works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if: • it does not have public accountability; and it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

Changes in accounting policy and disclosures (Continued)

(ii) New standards, interpretations and amendments issued but not effective (continued)

Number	Effective date	Executive summary
Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable. (Published August 2025)	These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically: • IFRS 18 Presentation and Disclosure in Financial Statements; • Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); • International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12); • Lack of Exchangeability (Amendments to IAS 21); and • Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning or after 1 January 2027 with early adoption possible subject to local endorsement where required. (Published April 2024)	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: • the structure of the statement of profit or loss; • required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Annual periods beginning on or after 1 January 2024 subject to endorsement by local jurisdictions. Public-listed entities must comply for periods starting on or after 1 January 2027. (Published June 2023)	IFRS S1 provides guidance on identifying sustainability-related risks and opportunities, and the relevant disclosures to be made in respect of those sustainability-related risks and opportunities.
IFRS S2	Annual periods beginning on or after 1 January 2024 (Published June 2023) .	IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

Changes in accounting policy and disclosures (Continued)

(ii) New standards, interpretations and amendments issued but not effective (continued)

IFRS S2	Public-listed entities must comply for periods starting on or after 1 January 2027. Earlier application permitted as long as IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information is also applied.	IFRS S2 applies to: a. climate-related risks to which the entity is exposed, which are: i. climate-related physical risks; and ii. climate-related transition risks; and b. climate-related opportunities available to the entity. IFRS S2 sets out the requirements for disclosing information about an entity's climate-related risks and opportunities. In particular, IFRS S2 requires an entity to disclose information that enables users of general purpose financial reports to understand: • the governance processes, controls and procedures the entity uses to monitor, manage and oversee climate-related risks and opportunities; • the entity's strategy for managing climate-related risks and opportunities. • the processes the entity uses to identify, assess, priorities and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and • the entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026 (early adoption is available) (Published May 2024)	These amendments: • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

B. The Group's principal accounting policies are set out below:

Basis of preparation

The financial statements are prepared in terms of IFRS and the requirements of the Companies Act.

The Group prepares its financial statements under the historical cost convention as modified by revaluation of certain assets.

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of subsidiaries is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree's recognised amounts of identifiable net assets. Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiaries acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, details of which are disclosed in Note 19 to the financial statements and also includes the Group's share of the results of the associate company as disclosed in note 16 to the financial statements, all made up to 31 March.

Notes (continued)

Investments in subsidiary companies in the Company's financial statements are carried at cost less provision for impairment.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

Basis of preparation (continued)

- Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiaries is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

- Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(b) Investments in associate companies

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount; Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Notes (continued)

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with IAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(c) Investments in associate companies (Continued)

In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate. When a Group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group' consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

(d) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax (VAT), rebates and discounts.

Revenue is recognized when the Group satisfies the performance obligation and transfers control of the goods or services to the customer at the amount to which the company expects to be entitled and that is allocated to that specific performance obligation.

Revenue is recognised as follows:

(a) Sales of goods (teas) are recognised at a point in time when the control of the promised goods transfers to the customer and the entity has satisfied its performance obligations under the contract with the customer. The point of transfer of control is determined as the date of delivery of goods to the customer for local sales and date of bill of lading for export sales. For auction sales, revenue is recognised when control of the tea has transferred, being at the fall of the hammer.

(b) Dividends receivable is recognized as income in the period in which the right to receive payment is established.

(c) Interest income is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Under the Group's standard contract terms, customers do not have a right to return goods due to the nature of agricultural produce.

(e) Inventories

Made tea inventories are stated at the lower of cost and net realisable value. Made tea inventory costs comprise fair value of tea leaf less point-of-sale costs at the point of harvest and actual costs incurred at the factory in the processing of made tea from tea leaf. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Notes (continued)

Firewood is stated at the lower of production cost and net realizable value.
Consumable stores inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method.

Obsolete and defective inventories are fully provided for. Spare parts are fully provided for if not used for 3 years and over.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(f) Biological assets

Biological assets (unharvested green leaf, fuel plantations and timber plantations) have been stated at their fair value less estimated point-of-sale costs. Any gains or losses arising on initial recognition of biological assets and from subsequent changes in fair value less costs to sell are recognised through profit or loss in the year in which they arise. The tea bushes are bearer plants and are therefore presented and accounted for as property, plant and equipment (see note 12). However, the produce growing on these trees is accounted for as biological assets until the point of harvest. Harvested produce is transferred to inventory at fair value less costs to sell when harvested.

The un-harvested green leaf on tea bushes at the reporting date are measured at fair value less costs to sell using IAS 41- Agriculture. The fair values of fuel and timber plantations are determined based on the prices existing in the market.

The cost of replanting, infilling and upkeep is recognised as an expense in the profit or loss. The gain or loss in valuation of biological assets and agricultural produce is dealt with in the profit or loss.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost or as professionally revalued less accumulated depreciation and any impairment losses. Professional valuations are carried out in accordance with the Group and the Company's policy of revaluing certain items of land, property, plant and equipment after every three years.

The basis of valuation for buildings, machinery and equipment is the depreciated replacement cost method.

Any revaluation increase arising on the revaluation is recognized in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluations of such land and other assets is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus reserve relating to a previous revaluation of that asset.

Bearer plants are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences. Immature plantations are measured at accumulated cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to rise from the continued use of the asset. The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(h) Capital work in progress

Capital work in progress relates to property and plant under construction. Cost includes materials, direct labour and any other direct expenses incurred in respect of the project. The amounts are

Notes (continued)

transferred to the appropriate property, plant and equipment categories once the project is completed and commissioned.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(i) Depreciation

No depreciation is provided on freehold land. Capital work in progress is not depreciated until the asset is brought into use. Other items of property, plant and equipment are depreciated on a straight-line basis to write off the cost or valuation over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual rates generally in use are as follows:

Buildings	5%
Dams	2.5%
Machinery and equipment	10%
Tractors and accessories	10-25%
Motor vehicles	25%
Office equipment, furniture and fittings	10%
Computers	25%
Bearer plants	2% (50 years)
Solar Plant	5.26% (19 years)

Bearer plants are depreciated on a straight-line basis over the estimated productive lives of the tea bushes.

Depreciation on revalued building and other property is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property's revaluation reserve is transferred directly to retained earnings. Each year, the difference between depreciation based on the revalued carrying amount of an asset (the depreciation charged to the profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation surplus to revenue reserves, net of related deferred taxation.

(j) Intangible assets-computer software costs

Costs incurred on computer software are accounted for at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful lives not exceeding a period of 3 years. Amortisation period and method are reviewed at each year end.

(k) Right of use asset - land

Payments to acquire interest in land are treated as right of use asset and amortised over the period of the contract.

(l) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(m) Income tax

Income tax expense represents the sum of the tax currently payable and deferred income tax. Income tax is recognised in the profit and loss account except when it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income, or to items recognised directly in equity, in which case it is also recognised directly in equity.

(i) Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred income tax

Deferred income tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax liabilities are generally recognised for all taxable temporary differences. Deferred income tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred income tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(n) Post-employment benefits obligation

(i) Group's defined contribution retirement benefit scheme

The Group operates a defined contribution scheme for eligible non-unionisable employees. The assets of the scheme are held in a separate trustee administered fund. The Group's contributions to the defined contribution plan are charged to the profit or loss in the year to which they relate.

(ii) Statutory defined contribution pension scheme

The Group also contributes to the statutory National Social Security Fund. This is a defined contribution scheme registered under the National Social Security Act. The Group's obligations under the scheme are limited to specific contributions legislated from time to time. The Group's contribution in respect of retirement benefit costs are charged to the profit or loss account in the year which they relate.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(n) Employee benefits costs (Continued)

(iii) Other employee entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave or compensated absences accrued at the end of the reporting period.

The Group's unionisable staff who resign or whose services are terminated either due to illness or other reasons after completion of ten years of continuous and meritorious service are entitled to twenty-two day's pay for each completed year of service by way of gratuity, based on the wages or salary at the time of such resignation or termination of services, as provided for in the trade union agreement. An employee who is dismissed or terminated for gross misconduct is not entitled to gratuity. The service gratuity is provided for in the financial statements at present value of benefits payable as it accrues to each employee.

(o) Impairment of tangible and intangible assets

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless it relates to a revalued asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(a) The Group as lessee

The Group assesses whether a contract is or contains a right of use asset or/and lease at inception of the contract. The Group recognises a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(a) The Group as lessee (continued)

For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which the economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprises of fixed lease payments (including the substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in floating interest rate, in which case a revised discount rate is used); and
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost or as professionally revalued less accumulated amortisation and any impairment losses. Professional valuations are carried out in accordance with the Group's policy of revaluing land, property, plant and equipment after every three years. The basis of valuation is the market value approach.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the statement of the profit or loss.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(b) The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

(p) Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

(q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Date of recognition

Financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(q) Financial instruments (Continued)

Financial assets

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

- Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include Loans and receivables, cash and cash equivalents, deposits with financial institutions, commercial papers, corporate bonds, other receivables, government securities at amortised cost and due from related parties.

The SPPI test

As a second step of its classification process the Group assesses the contractual terms to identify whether they meet the SPPI test.

"Principal" for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest is set.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(q) Financial instruments (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group has classified quoted equity instruments and investments in collective investment scheme in this category.

Derecognition

Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(q) Financial instruments (Continued)

Derecognition (continued)

Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognised as derecognition gain or loss. When assessing whether or not to derecognise an instrument, amongst others, the Group considers the following factors: introduction of an equity feature, change in counterparty and if the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result into cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss.

Impairment of financial assets

At the end of each reporting period, all financial assets are subject to review for impairment. If it is probable that the Group and the Company will not be able to collect all amounts due (principal and interest) according to the contractual terms of loans, receivables, or held-to-maturity investments carried at amortised cost, an impairment or bad debt loss has occurred. The carrying amount of the asset is reduced to its estimated recoverable amount either directly or through use of an allowance account. The amount of the loss incurred is dealt with through profit or loss for the year. If a loss on a financial asset carried at fair value (recoverable amount is below original acquisition cost) has been recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative net loss that had been recognised in other comprehensive income is removed and recognised in the profit or loss for the period even though the financial asset has not been derecognised. Reversal of an impairment loss is recognised in the profit or loss unless it relates to a revalued asset.

(r) Dividends payable

Dividends payable on ordinary shares are charged to retained earnings in the period in which they are declared. Proposed dividends are not accrued for until ratified in an Annual General Meeting.

(s) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (Executive Directors). The Directors then allocate resources to and assess the performance of the operating segments of the Group. The operating segments are based on the Group's internal reporting structure. In accordance with IFRS 8, the Group has the following operating segments; cultivation, sale and manufacture of tea, investment in property and the sale and servicing of generators.

Segment assets and liabilities comprise those operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Capital expenditure represents the total cost incurred during the year to acquire segment assets that are expected to be used during more than one period (property, plant and equipment).

Notes (continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(t) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The following comparative figures and presentations have been made:

- Net foreign exchange gains and losses have been included within the finance income/ cost;
- Due from related parties has been included within trade and other receivables
- Due to related parties has been included within trade and other payables

3 CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's and the Company accounting policies, management has made estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
These are dealt with below:

(i) Critical judgments in applying the Group's and the Company's accounting policies

Impairment

At the end of each reporting period, the Group and the Company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the asset's fair value less costs to sale and its value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash generating unit to which the asset belongs. Any impairment losses are recognised immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss other than that arising from goodwill, is recognised as income immediately.

Revaluation of assets

Some of the Group and Company's assets are stated as professionally valued every three years. The board of directors of the company determine the appropriate valuation techniques and inputs for fair value measurements and frequency of the asset valuation. The board of directors engages third party qualified and registered valuers to perform valuation. The board and management work closely with the external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about valuation techniques and inputs used in determining the fair value of various assets disclosed in notes 12.

Land tenure

The new constitution that was promulgated in August 2010 provided that a person who is not a citizen may hold land on the basis of leasehold tenure only and such leases, however granted, shall not exceed 99 years. The Group's land titles in Kenya, which were originally either freehold or leases in excess of 900 years, were converted to 99-year leases with effect from 27th August 2010. In the current year, the Group has effected accrual for the amortisation of the land over the resultant remaining lease period under right of use assets. The Group has yet to receive the new title deeds.

Notes (continued)

3 CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(ii) Key sources of estimation uncertainty

Biological assets

The most significant assumptions and estimates include use of estimate of the costs to sell, biological transformation and maturity period for the fuel and timber trees, and the discount rate for the expected cashflows. In determining the fair value less costs to sell of biological assets, the company uses the expected cash flows from the sale of the asset discounted at the current market determined pretax rate. The objective of a calculation of the present value of expected net cash flows is to determine the fair value of a biological asset in its present location and condition. The directors use estimates based on historical data relating to yields, selling prices, harvesting, and biological transformation. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between estimates and actual experience.

Property, plant and equipment and intangible assets

Critical estimates are made by directors in determining the useful lives and residual values to property, plant and equipment and intangible assets based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances or prospective utilization of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

Lease discount rate

The discount rate used in the calculation of the lease liability involves estimation. Discount rates are calculated on a lease-by-lease basis. For property leases that make up substantially all of the Group's lease portfolio, the discount rate is the estimated property yield over a similar lease term assessed at commencement date. Otherwise for any other lease, the rate used is the incremental borrowing rate.

4 OPERATING SEGMENTS

a) Products and services from which reportable segments derive their revenues

In accordance with IFRS 8, Operating segments, information reported to the Group's Chief Operating Decision Makers (Executive Directors) for the purposes of resource allocation and assessment of segment performance is focused on the principal activities and the products offered by the Group. The identifiable reporting segments of the Group are:

- Tea: The cultivation, manufacture, and sale of tea.
- Property: Investment in property.
- Generator trading: Sale and servicing of generators. This segment was discontinued in the year 2021.

b) Measurement of operating segment profit or loss, assets, and liabilities

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies in Note 2.

Notes (continued)

4 OPERATING SEGMENTS (Continued)

c) Segment revenues and results, assets and liabilities and other information

The segment information provided to the Group Board of Directors for the reportable segments is as follows: -

2026	Tea	Property	Generator Trading	Group
	Shs'000	Shs'000	Shs'000	Shs'000
From continuing operations				
Revenues and results				
Revenue	3,398,357	1,775	-	3,400,132
Other income	108,951	-	-	108,951
Interest income	38,350	-	-	38,350
Finance cost	32,243	-	-	32,243
Group's share of associate company results after tax	77,911	-	-	77,911
Profit/(Loss) before income tax including associates	222,440	1,253	-	223,693
Income tax expense	(102,742)	-	-	(102,742)
Assets and liabilities				
Segment assets	12,203,128	227,531	-	12,430,659
Segment liabilities	2,432,425	27,567	-	2,459,992
Other information				
Depreciation	403,434	-	-	403,434
Amortization of right of use assets	1,465	-	-	1,465
Amortization of intangible assets	7,743	-	-	7,743
Capital expenditure	231,458	-	-	231,458
From discontinued operations				
Revenues and results				
Loss after taxation	-	-	(153)	(153)
Assets and liabilities				
Segment assets	-	-	31,835	31,835

Revenue reported above represents revenue generated from external customers. Included in the revenue generated from the tea segment are sales of trees amounting to Shs Nil (2025: Nil).

Notes (continued)

4 OPERATING SEGMENTS (Continued)

c) Segment revenues and results, assets and liabilities and other information (Continued)

2025	Tea	Property	Generator trading	Group
	Shs'000	Shs'000	Shs'000	Shs'000
From continuing operations				
Revenues and results				
Revenue	4,106,965	1,775	-	4,108,740
Other income	38,904	-	-	38,904
Interest income	26,774	-	-	26,774
Group's share of associate company results after tax	71,673			71,673
Finance cost	(17,487)	-	-	(17,487)
(Loss)/Profit before tax (including associate)	(256,208)	1,217	-	(254,991)
Income tax expense	89,209	-	-	89,209
Assets and liabilities				
Segment assets	8,129,586	205,079	-	8,334,665
Segment liabilities	2,020,907	24,506	-	2,045,413
Other information				
Depreciation	484,165	-	-	484,165
Amortization of right of use assets	7,743	-	-	7,743
Amortization of intangible assets	909	-	-	909
Capital expenditure	146,302	-	-	146,302
From discontinued operations				
Revenues and results				
Loss after Taxation	-	-	(657)	(657)
Assets and liabilities				
Segment assets	-	-	31,988	31,988

Notes (continued)

4 OPERATING SEGMENTS (Continued)

d) Information on major customers

In both years, no single customer contributed 10% or more to the Group's revenue.

e) Geographical information

The Group is based in Kenya and hence all its assets are located in Kenya. However, the Group's revenue is derived from the following markets:

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
Direct export sales	1,741,794	3,253,447	635,547	1,212,485
Local sales (Mombasa Tea Auction)	1,658,338	855,293	507,600	188,638
	3,400,132	4,108,740	1,143,147	1,401,123

5 a) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group's and Company's revenue is derived from point-in-time sale of:				
Tea	3,400,132	4,108,740	1,143,147	1,401,123

b) OTHER INCOME/ (COSTS)

Fair value gain on investment properties	117,961	16,770	95,000	-
Rental income	6,066	5,350	5,737	5,054
Stores sales to third parties	70	746	70	745
(Loss)/ gain on of scraps	(6,027)	2,364	(6,027)	2,364
Others miscellaneous income	(9,364)	14,598	(8,243)	11,253
Gain on financial assets at fair value through profit or loss (Note 20)	245	(924)	99	(373)
	108,951	38,904	86,636	19,043

6 COST OF SALES

Factory cost	555,810	596,167	179,787	203,062
Out grower green leaf cost	1,018,684	1,373,559	257,451	359,925
Field cost own-green leaf	366,626	530,493	173,430	220,057
Estate and central overheads	907,010	958,489	341,992	381,484
Licenses and royalties	135,250	159,086	47,040	53,107
Tea stock movement	72,969	370,171	3,345	119,651
	3,056,349	3,987,965	1,003,045	1,337,286

Notes (continued)

7 a) DISTRIBUTION COST

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
Ocean freight and marine insurance	32,227	61,794	10,922	37,255
Transport to coast and coast charges	166,577	220,964	58,764	76,129
	198,804	282,758	69,686	113,384

7 b) ADMINISTRATIVE EXPENSES

Head office costs	245,230	205,969	156,671	97,762
Professional fees	7,511	20,217	3,197	10,598
Directors' fees	22,903	21,900	16,513	15,810
Auditors' remuneration	10,026	8,979	5,452	3,707
Bank Charges	9,857	12,076	4,856	8,751
	295,527	269,141	186,689	136,628

8 FINANCE INCOME/(COSTS)

Interest income:				
Interest on short-term bank deposits	38,350	26,774	10,407	3,880
Finance income/ (cost):				
Interest expense on:				
- bank overdrafts	-	(333)	-	-
- bank loans	(4,144)	(6,338)	-	-
-leases liabilities (Note 35)	(2,048)	(2,841)	(2,242)	(2,665)
	(6,192)	(9,512)	(2,242)	(2,665)
Net foreign exchange gains/ (loss)	38,435	(7,975)	10,651	(2,004)
Finance income/ (cost)	32,243	(17,487)	8,409	(4,669)

Notes (continued)

9 PROFITS/ (LOSS) BEFORE TAX

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
The profit before income tax is arrived at after charging/ (crediting):				
Depreciation of property and equipment (Note 14)	403,434	484,165	177,519	239,539
Amortization of intangible assets (Note 15)	452	909	250	527
Amortization of right of use assets (Note 16)	7,743	7,743	5,687	5,687
Staff costs (Note 10)	668,253	703,039	209,701	230,362
Directors' remuneration:				
Executive				
- Salaries and allowances	72,010	63,063	72,010	63,063
- Other benefits	13,096	12,640	13,096	12,640
- Pension	20,909	10,107	20,909	10,107
Non – executive				
- Fees	14,214	14,210	14,214	14,210
- Other emoluments	1,750	1,600	1,750	1,600
Loss on disposal of property, plant, and equipment	4,174	9,705	16,341	987
Auditors' remuneration	10,026	11,090	5,452	5,818
Operating lease rental income	(6,066)	(5,350)	(5,747)	(5,054)
Dividend income	(77,389)	(46,433)	(77,389)	(46,433)

10 STAFF COSTS

Wages and salaries	578,520	621,122	181,953	205,878
Social security costs (NSSF)	3,787	3,976	1,289	1,320
Pension costs (defined contribution plan)	6,806	7,690	2,586	2,309
Post-employment benefits (Note 30)	34,993	28,079	10,786	8,181
Leave pay provision	29,037	26,564	7,559	7,837
Medical costs	15,110	15,608	5,528	4,837
	668,253	703,039	209,701	230,362

The average number of employees during the year ended 31 March were as follows:

	Group		Company	
	2026	2025	2026	2025
Management and administration	19	19	10	7
Factory	645	608	256	265
Field	919	1,093	319	294
	1,583	1,720	585	566

Notes (continued)

11 INCOME TAX

a) Current income tax

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Current income tax based on taxable profit for the year at 30% (2025: 30%)	22,653	8,554	13,796	1,232
Residential rent final tax charge at 10%	210	269	210	269
Over-provision in prior years	-	(3)	-	(3)
	22,863	8,820	14,006	1,498
Deferred income tax (Note 27):				
- Credit for the year	13,082	(98,026)	(14,169)	(38,534)
- Under/ (over) provision in prior years	66,797	(3)	62,046	(3)
	79,879	(98,029)	47,877	(38,537)
Income tax expense /(Credit)	102,742	(89,209)	61,883	(37,039)

Reconciliation of expected income tax based on accounting profit/(loss) to tax charge/(credit)

Accounting profit/ (loss) before tax	223,694	(254,991)	100,502	76,245
Tax at the applicable rate of 30% (2025:30%)	67,108	(76,497)	30,151	22,874
Residential rent final tax charge at 10%	210	269	210	269
Tax effect of income not taxable:				
- Qualifying dividends	(23,217)	(67,189)	(23,217)	(67,189)
- Rental income	(756)	(1,448)	(756)	(1,448)
- Donations	467	2,479	449	1,859
- Pension/provident fund contribution	2,693	4,428	2,201	3,667
- Others	(3,506)	4,044	-	-
Tax effect of expenses not deductible for tax purposes	7,233	47,227	5,064	2,934
Prior year over provision of current tax	-	(3)	-	(2)
Fair value gains on investment properties and other equities charged at 15%	(14,287)	(2,516)	(14,265)	-
Under provision of deferred income tax in prior years	66,797	(3)	62,046	(3)
Income tax charge	102,742	(89,209)	61,883	(37,039)

b) Current income tax recoverable

At start of year	(78,410)	(51,243)	(31,561)	(21,597)
Charge to profit or loss	22,653	8,554	13,797	1,232
Under / (over) provision in prior years	-	(3)	-	(3)
Income tax paid in the year	(17,996)	(35,718)	(9,724)	(11,193)
At end of year	(73,753)	(78,410)	(27,488)	(31,561)

Notes (continued)

12 EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit/(loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

Group	2026 Shs'000	Restated 2025 Shs'000
Profit /(Loss) earnings		
Profit/(Loss) from continuing operations attributable to equity holders of the company (Shs'000)	116,196	(152,737)
Profit/(Loss) for the year attributable to equity holders of the company (Shs'000)	116,043	(153,394)
Weighted average number of ordinary shares		
Number of ordinary shares (Note 25)	35,025,280	35,025,280
Earnings per share –profit/ (loss) from continuing operations		
Basic and diluted (Shs)	3.31	(4.36)
Earnings per share – profit for the year		
Basic and diluted (Shs)	3.31	(4.38)

There were no potentially dilutive shares outstanding at 31 March 2026 and at 31 March 2025. Diluted earnings per share is therefore equal to basic profit /(loss) earnings per share.

The earnings per share calculations for the current and prior years have been adjusted for the issue of bonus shares made during the year.

13 PROPOSED DIVIDENDS

The directors propose a final dividend of Shs.15 per share in 2026. (2025: Shs 10 per share) amounting to a total of Shs. 525,379,200 (2025: Shs 175,126,400) be paid to shareholders. This dividend is subject to approval by shareholders at the Annual General Meeting to be held on 20th August 2026 and has therefore not been included as a liability in these financial statements.

Notes (Continued)

14 PROPERTY, PLANT AND EQUIPMENT

Group

	Land and buildings Shs'000	Machinery & equipment Shs'000	Tractors & accessories Shs'000	Motor vehicles Shs'000	Office equipment furniture & fittings Shs'000	Bearer plants Shs'000	Computers Shs'000	Work in progress Shs'000	Total Shs'000
COST OR VALUATION									
At 1 April 2024	1,332,168	1,818,357	116,005	156,657	44,991	1,642,453	61,737	282,782	5,455,150
Additions	558	37,890	6,228	5,324	1,408	-	2,823	92,071	146,302
Transfers	6,087	9,968		-	-	71,012	-	(87,067)	-
Disposals	(1,130)	(3,503)	(15,459)	(4,770)	(2,310)	(52,479)	(3,510)	(10,692)	(93,853)
At 31 March 2025	1,337,683	1,862,712	106,774	157,211	44,089	1,660,986	61,050	277,094	5,507,599
Comprising:									
At Valuation - 2025	319,107	806,859	-	-	-	-	-	-	1,125,966
At Cost	1,018,576	1,055,853	106,774	157,211	44,089	1,660,986	61,050	277,094	4,381,633
Total	1,337,683	1,862,712	106,774	157,211	44,089	1,660,986	61,050	277,094	5,507,599
At 1 April 2025	1,337,683	1,862,712	106,774	157,211	44,089	1,660,986	61,050	277,094	5,507,599
Additions	4,161	120,264	2,032	14,995	2,064	-	2,399	85,543	231,458
Transfers	(404,887)	26,480	11	-	-	53,046	-	(79,870)	(405,220)
Disposals	(83)	(18,065)	-	(28,248)	(3,207)	(37,717)	(13,223)	-	(100,543)
Reclassifications	(23)	(1,028)	1,028	-	-	-	-	-	(23)
At 31 March 2026	936,851	1,990,363	109,845	143,958	42,946	1,676,315	50,226	282,767	5,233,271
Comprising:									
At Valuation - 2026	504,259	153,885	-	-	-	-	-	-	658,144
At Cost	432,592	1,836,478	109,845	143,958	42,946	1,676,315	50,226	282,767	4,575,127
Total	936,851	1,990,363	109,845	143,958	42,946	1,676,315	50,226	282,767	5,233,271

Notes (Continued)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Group (Continued)	Land and buildings Shs 000	Machinery & equipment Shs 000	Tractors & accessories Shs 000	Motor vehicles Shs 000	Office equipment furniture & fittings Shs 000	Bearer plants Shs 000	Computers Shs 000	Work in progress Shs 000	Total Shs 000
DEPRECIATION									
At 1 April 2024	-	2,706	83,676	91,248	39,853	723,282	54,573		995,338
Charge for the year	132,197	233,568	8,683	25,575	1,138	79,690	3,314		484,165
Eliminated on disposal	-	(61)	(15,459)	(4,761)	(2,303)	(43,816)	(3,367)	-	(69,767)
At 31 March 2025	132,197	236,213	76,900	112,062	38,688	759,156	54,520	-	1,409,736
At 1 April 2025	132,197	236,213	76,900	112,062	38,688	759,156	54,520	-	1,409,736
Charge for the year	106,415	206,821	9,040	19,164	1,207	57,805	2,982		403,434
Eliminated on disposal	(1,529)	(6,528)	-	(22,052)	(3,200)	(36,265)	(12,420)	-	(81,994)
At 31 March 2026	237,083	436,506	85,940	109,174	36,695	780,696	45,082	-	1,731,176
NET BOOK VALUE									
At 31 March 2026	699,768	1,553,857	23,905	34,784	6,251	895,619	5,144	282,767	3,502,095
At 31 March 2025	1,205,486	1,626,499	29,874	45,148	5,402	901,830	6,530	277,094	4,097,863
NET BOOK VALUE (Cost basis)									
At 31 March 2026	546,462	1,144,458	23,905	34,784	6,251	895,619	5,144	282,767	2,939,390
At 31 March 2025	380,983	1,182,213	29,874	45,148	5,402	901,830	6,530	277,094	2,829,074

Included in property, plant and equipment are assets with an original cost of Shs 937,866,000 which are fully depreciated and whose normal depreciation charge for the year would have been Shs 112,054,000.

Notes (Continued)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

The capital work in progress comprises costs incurred in the construction of plant and machinery at the tea estates and costs incurred on immature tea bushes (bearer plants).

Company	Land and buildings Shs'000	Machinery and equipment Shs'000	Tractors and accessories Shs'000	Motor vehicles Shs'000	Office equipment furniture and fittings Shs'000	Computers Shs'000	Bearer plants Shs'000	Work in progress Shs'000	Total Shs'000
COST OR VALUATION									
At 1 April 2024	853,339	667,790	41,214	84,501	32,059	29,522	666,809	86,516	2,461,750
Additions	128	2,080	-	5,324	1,323	2,226	-	19,333	30,414
Reclassifications	-	-	-	-			23,858	(23,858)	-
Disposals	-	(66)	(5,045)	(3,999)	(881)	(3,059)	(19,699)	-	(32,749)
At 31 March 2025	853,467	669,804	36,169	85,826	32,501	28,689	670,968	81,991	2,459,415
At cost	361,655	932,779	36,169	85,826	32,501	28,689	670,968	81,991	2,230,578
At 31 March 2025	853,467	669,804	36,169	85,826	32,501	28,689	670,968	81,991	2,459,415
At 1 April 2025	853,467	669,804	36,169	85,826	32,501	28,689	670,968	81,991	2,459,415
Additions	2,213	8,881	-	14,995	2,014	1,664	-	24,312	54,079
Transfer from WIP	-	-	-	-	-	-	13,312	(13,312)	-
Disposals	(403,083)	(11,989)	-	(28,247)	(1,709)	(5,887)	(15,520)	-	(466,435)
At 31 March 2026	452,597	666,696	36,169	72,574	32,806	24,466	668,760	92,991	2,047,059
At cost	295,285	879,082	36,169	72,574	32,806	24,466	668,760	92,991	2,102,133
At 31 March 2026	452,597	666,696	36,169	72,574	32,806	24,466	668,760	92,991	2,047,059

Notes (Continued)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Company (Continued)

	Land and Buildings	Machinery and equipment	Tractors and accessories	Motor vehicles	Office equipment furniture and fittings	Computers	Bearer plants	Work in progress	Total
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
DEPRECIATION									
At 1 April 2024	-	2,707	29,882	51,943	28,805	27,289	317,444	-	458,070
Charge for the year	69,141	118,171	2,981	12,382	722	1,286	34,856	-	239,539
Eliminated on disposals	-	(61)	(5,046)	(3,989)	(873)	(3,059)	(17,671)	-	(30,699)
Charge due to revaluation	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
At 31 March 2025	69,141	120,817	27,817	60,336	28,654	25,516	334,629	-	666,910
At 1 April 2025	69,141	120,817	27,817	60,336	28,654	25,516	334,629	-	666,910
Charge for the year	51,388	91,724	2,951	9,028	802	1,176	20,450	-	177,519
Eliminated on disposals	(21)	(2357)	-	(22,051)	(1710)	(5,137)	(15,389)	-	(46,665)
At 31 March 2026	120,508	210,184	30,768	47,313	27,746	21,555	339,690	-	797,764
NET BOOK VALUE									
At 31 March 2026	332,089	456,512	5,401	25,261	5,060	2,911	329,070	92,991	1,249,295
At 31 March 2025	784,326	548,987	8,352	25,490	3,847	3,173	336,339	81,991	1,792,505
NET BOOK VALUE (Cost basis)									
At 31 March 2026	44,040	210,828	5,401	25,261	5,060	2,911	329,070	92,991	715,562
At 31 March 2025	108,269	261,372	8,352	25,490	3,847	3,173	336,339	81,991	828,833

Notes (continued)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Land, buildings, machinery and equipment are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to other reserves in shareholders' equity. Previously, land and buildings accounted for at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Buildings, machinery and equipment were last revalued as at 31 March 2024 by Knight Frank Valuers Limited, registered valuers and estate agents on the depreciated replacement cost basis to arrive at the market value. Knight Frank Limited are registered valuers with the Valuers Registration Board and they have appropriate qualifications and relevant and recent experience in the fair value measurement of buildings, machinery and equipment in the various locations in Kenya.

Included in property, plant and equipment are assets with an original cost of Shs 937,866,000 which are fully depreciated and whose normal depreciation charge for the year would have been Shs 112,054,000.

The capital work in progress comprises costs incurred in the construction of plant and machinery and costs incurred on immature tea bushes (bearer plants).

The Group's buildings and machinery and equipment are stated at their revalued amounts, being the fair values at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The significant inputs included the estimated construction and purchase costs and other ancillary expenditures, and appropriate depreciation factors. The fair value of buildings, machinery and equipment was determined on the depreciated replacement cost basis. The fair value measurements is based on level 3 and the significant unobservable inputs included the estimated construction and purchase costs and other ancillary expenditures, and appropriate depreciation factors.

The fair value hierarchy prioritizes the inputs used to measure fair value into three broad Levels (Levels 1, 2 and 3), moving from quoted prices in active markets in Level 1 to unobservable inputs in Level 3. The levels are as defined below:

a) Level 1 inputs – observable, quoted prices for identical assets or liabilities in active markets;

b) Level 2 inputs – quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; and inputs other than quoted prices e.g. interest rates and yield curves; and

c) Level 3 inputs – unobservable inputs for the asset or liability. These should be based on the best information available. The Group and the Company should utilize all reasonably available information, but need not incur excessive cost or effort to do so. However, it should not ignore information that can be obtained without undue cost and effort. As such, the reporting entity's own data should be adjusted if information is reasonably available without undue cost and effort.

Details of the Group's buildings and machinery and equipment and information about NBV hierarchy as at 31 March 2026 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March
	Shs'000	Shs'000	Shs'000	Shs'000
Group				
31 March 2026				
Buildings	-	-	699,768	699,768
Machinery and equipment	-	-	1,553,857	1,553,857
	-	-	2,253,625	2,253,625

Notes (continued)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Level 1	Level 2	Level 3	Fair value as at 31 March
	Shs'000	Shs'000	Shs'000	Shs'000
Group				
31 March 2025				
Buildings	-	-	1,205,486	1,205,486
Machinery and equipment	-	-	1,626,499	1,626,499
	-	-	2,831,985	2,831,985
Company				
31 March 2026				
Buildings	-	-	332,090	332,090
Machinery and equipment	-	-	456,512	456,512
	-	-	788,602	788,602
31 March 2025				
Buildings	-	-	784,326	784,326
Machinery and equipment	-	-	548,987	548,987
	-	-	1,333,313	1,333,313

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

Instrument	Level	Valuation basis	Significant unobservable Inputs	Sensitivity of input to the fair value
Buildings	3	Market approach	Rate per square feet	Increase/ (decrease) in rate per sq.ft by 5% would decrease/ (increase) fair value by Shs 66.6 million

Notes (continued)

15 INTANGIBLE ASSETS

	Group		Company	
	2026 Shs' 000	2025 Shs'000	2026 Shs'000	2025 Shs'000
At start of year	25,394	25,175	14,382	14,663
Additions	-	875	-	375
Disposals	(7,082)	(656)	(5,055)	(656)
At end of year	18,312	25,394	9,327	14,382
Amortisation				
At start of year	24,522	24,268	13,914	14,042
Amortisation for the year	452	909	250	527
Disposals	(7039)	(655)	(5,011)	(655)
At end of year	17,935	24,522	9,153	13,914
Net book value				
At end of year	377	872	174	468

16 RIGHT-OF-USE ASSETS

Group	Leasehold Land Shs'000	Premises Shs'000	Car park Shs'000	Total Shs'000
Cost				
At 1 April 2025	81,581	33,795	9,310	124,686
Reclassification of freehold land	403,000	-	-	403,000
Revaluation surplus	3,685,419	-	-	3,685,419
At 31 March 2026	4,170,000	33,795	9,310	4,213,105
Amortisation				
At 1 April 2024	11,199	26,762	8,348	46,309
Charge for the year	824	5,368	1,551	7,743
Disposal	-	(16,951)	(7,184)	(24,135)
At 31 March 2025	12,023	15,179	2,715	29,917
At 1 April 2025	12,023	15,179	2,715	29,917
Charge for the year	824	5,367	1,552	7,743
Reversal on revaluation	(7,904)	-	-	(7,904)
At 31 March 2026	4,943	20,546	4,267	29,756
Net book value				
At 31 March 2026	4,165,058	13,249	5,042	4,183,349
At 31 March 2025	69,558	18,616	6,594	94,768

Notes (continued)

16 RIGHT-OF-USE ASSETS (Continued)

Company	Leasehold Land Shs'000	Premises Shs'000	Car park Shs'000	Total Shs'000
At 1 April 2025	12,612	24,046	9,309	45,967
Additions	-	-	-	-
At 31 March 2026	12,612	24,046	9,309	45,967
Reclassification of freehold land	403,000	-	-	403,000
Revaluation surplus	1,833,388	-	-	1,833,388
	2,249,000	24,046	9,309	2,282,355
Amortisation				
At 1 April 2024	1,731	3,006	1,163	5,900
Charge for the year	127	4,007	1,553	5,687
At 31 March 2025	1,858	7,013	2,716	11,587
At 1 April 2025	1,858	7,013	2,716	11,587
Charge for the year	128	4,008	1,550	5,686
Reversal on revaluation	(1,986)	-	-	(1,986)
At 31 March 2026	-	11,021	4,266	15,287
Net book value				
At 31 March 2026	2,249,000	13,025	5,042	2,267,067
At 31 March 2025	10,754	17,033	6,593	34,380

Right-of-use assets relate to leasehold land located in Williamson Tea Kenya Plc Changoi Estate, Tinderet Tea Estates (1989) Limited and Kaimosi Tea Estates Limited. The Company's land titles in Kenya, which were originally on leases of 999 years, were converted to 99-year leases with effect from 27th August 2010. In the current year, the Company has accrued for the amortisation of the operating leases over the remaining lease period.

The company's leasehold land is carried at a revalued amount less accumulated amortisation. The revaluation was carried out as at 31 March 2026 by Knight Frank, independent professional valuers, on comparable market price basis.

Leasehold land belonging to Kaimosi Tea Estates with net book value Shs 1,052,600,000 (2025: Shs 1,584,000) have been charged to secure banking facilities granted to the Group as disclosed in Note 29.

Notes (continued)

17 INVESTMENT PROPERTIES

	Group and Company 2026 Shs'000	2025 Shs'000
At fair value:		
At start of year	410,000	402,000
Fair value gain	96,200	8,000
At end of year	506,200	410,000
At cost basis	11,614	11,591
Rental income generated from investment property during the year	5,640	4,827
Direct operating expenses from investment property that generated rental income during the year	1,211	1,962

Fair value measurement of the Group's investment properties

The Group's investment properties relate to two properties LR No 1160/197 and LR No 330/490, both located in the Nairobi area and two in Kipkelion; LR No 598/5/II and LR No 598/6/II.

The Investment properties are stated at fair value at the end of year. The fair value measurements of the investment properties as at 31 March 2026 were determined by Knight Frank Valuers Limited, Registered and independent Valuers and Estate Agents. Knight Frank are members of the Institute of Surveyors of Kenya and they have appropriate qualifications and relevant and recent experience in the fair value measurement of properties in the various locations in Kenya. The fair value of the investment properties is determined using the market approach.

Details of the Group's investment properties and information about fair value hierarchy as at 31 March are as follows:

31 March 2026	Level 1 Shs'000	Level 2 Shs'000	Level 3 Shs'000	Fair value as at 31 March Shs'000
Investment properties	-	-	506,200	506,200
31 March 2025				
Investment properties	-	-	410,000	410,000

There were no transfers between level 1, level 2 and level 3 during the year.

Notes (continued)

17 INVESTMENT PROPERTIES (continued)

Fair value measurement of the Group's investment properties

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

Description	Fair value as at		Unobservable input	Range of inputs (probability – weighted average)		Relationship of unobservable inputs to fair value
	31 March 2026 Shs 000	31 March 2025 Shs 000		31 March 2026 Shs 000	31 March 2025 Shs 000	
Investment properties	506,200	410,000	Average prices per acre	61,828-226,994 (85,419)	50,000-157,000 (66,000)	The higher the prices the higher the fair value

18 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	2026 Shs'000	2025 Shs'000
Group		
Kapchorua Tea Kenya Plc (Quoted) 39.56% owned:		
Carried at share of net assets	1,404,253	830,451
The movement in Group investment in associate company is as follows:		
At start of year	830,451	811,756
Share of profit for year	77,911	71,683
Share of other comprehensive income/ (loss)	573,280	(6,560)
Share of total comprehensive income	651,191	65,123
Dividend received	(77,389)	(46,428)
At end of year	1,404,253	830,451
Share of total comprehensive income comprises of:		
Share of profit/ (loss)	77,911	71,683
Share of other comprehensive income	573,280	(6,560)
	651,191	65,123

Notes (continued)

18 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

	2026 Shs'000	2025 Shs'000
COMPANY		
Kapchorua Tea Kenya Plc (Quoted) 39.56% owned:		
At cost	49,504	49,504
At fair value – Quoted market price.	3,743,784	700,283

The details of the above associate company are as follows:

Company	*Share capital Shs*	*Proportion of ownership interest and voting power held by the group*		*Place of Incorporation*	*Principal activity*
		31 March 2026	*31 March 2025*		
Kapchorua Tea Kenya Plc	78,240,000	39.56%	39.56%	Kenya	Cultivation, manufacture and sale of tea

The associate company is accounted for using the equity method in these consolidated financial statements.

The summarised financial information as of 31 March 2026 in respect of the associate company, Kapchorua Tea Kenya Plc is set out below:

	2026 Shs'000	2025 Shs'000
Non-current assets	3,379,314	1,669,002
Current assets	1,139,546	1,134,180
Non-current liabilities	(774,916)	(512,803)
Current liabilities	(194,266)	(191,186)
Net assets	3,549,678	2,099,193
Group's share of the net assets	1,404,253	830,441
Revenue	1,662,674	2,218,731
Profit before income tax	289,020	261,543
Income tax expense	(92,077)	(80,366)
Profit for the year	196,943	181,177
Total other comprehensive income/ (loss)	1,449,142	(16,582)
Total comprehensive income for the year	1,646,085	164,595

Notes (continued)

19 INVESTMENTS IN SUBSIDIARIES

(a) Investments at cost in wholly owned subsidiaries:

	2026 Shs'000	2025 Shs'000
Kaimosi Tea Estates Limited	2,863	2,863
Williamson Power Limited*	-	-
Tea Properties Limited	2	2
Lelsa Tea Estates Limited*	-	-
	2,865	2,865

(b) Investment at cost in partially owned subsidiaries:

Tinderet Tea Estates (1989) Limited (82% owned)	103,323	103,323
	106,188	106,188

*Investments in Lelsa Tea Estates Limited and Williamson Power Limited are fully impaired.

The details of the above subsidiary companies are as follows:

Company	*Share capital Shs*	*Place of Incorporation and operation*	*Principal activity*	*Proportion of ownership interest and voting power held by the group*	
				31 March 2026	*31 March 2025*
Kaimosi Tea Estates Limited	2,540,000	Kenya	Cultivation, manufacture and sale of tea	100%	100%
Williamson Power Limited	2,880,000	Kenya	Dormant company	100%	100%
Tea Properties Limited	2,000	Kenya	Property investment	100%	100%
Lelsa Tea Estates Limited	4,000,000	Kenya	Dormant company	100%	100%
Tinderet Tea Estates (1989) Limited	100,000	Kenya	Cultivation, manufacture and sale of tea	82%	82%

The proportion of voting rights in the subsidiary's undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. The directors of the Group concluded that the parent company has control over the subsidiary companies.

Notes (continued)

19 INVESTMENTS IN SUBSIDIARIES (Continued)

Summarised financial information on subsidiaries with material non- controlling interest

The summarised financial information below represents amounts before intragroup eliminations.

Tinderet Tea Estates (1989) Limited
At 31 March 2026

	2026 Shs'000	2025 Shs'000
Non-current assets	2,103,977	1,252,803
Current assets	716,530	708,387
Non-current liabilities	(478,999)	(343,355)
Current liabilities	(110,698)	(113,070)
Equity attributable to the owners of the company	2,230,810	1,504,765
Non-controlling interest	18%	18%
Revenue	1,158,488	1,416,188
Expenses	(1,132,063)	(1,488,658)
Profit for the year	26,425	(72,470)
Profit attributable to the owners of the company	21,669	(59,425)
Profit attributable to non-controlling interest	4,756	(13,045)
	26,425	(72,470)
Other comprehensive income	699,620	(10,976)
Other comprehensive income attributable to the owners of the company	573,688	(9,000)
Other comprehensive income to non-controlling interest	125,932	(1,976)
	699,620	(10,976)
Dividends paid to non-controlling interest	-	(18,898)
Net cash inflow from operating activities	278,907	127,202
Net cash outflow from investing activities	(133,668)	(54,365)
Net cash outflow from financing activities	-	(104,988)
Net cash inflow	145,239	(32,151)

Notes (continued)

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and Company balances relates to an equity investment in 999,326 and 403,545 ordinary shares of Kenya Tea Parkers Limited (KETEPA) respectively, representing 2.00% and 0.81% shareholding, which is carried at fair value through profit or loss. The change in fair value in the year is as follows:

	2026 Shs'000	2025 Shs'000
Group		
At start of year	25,583	26,507
Fair value gain/(loss) to profit or loss	245	(924)
	25,828	25,583
Company		
At start of year	10,331	10,704
Fair value gain/(loss)to profit or loss	99	(373)
	10,430	10,331

Kenya Tea Packers Limited (KETEPA) is the largest tea packaging company in Kenya.
The fair value of the investments is based on the net assets in the audited financial statements of KETEPA at 30 June 2025. At 31 March 2026, the unquoted shares in KETEPA had a fair value of Shs 25.84 per share (2025: Shs 25.60).

21 BIOLOGICAL ASSETS

(a) Non – current assets

Group

Year ended 31 March 2026

	Timber trees Shs'000	Fuel trees Shs'000	Total Shs'000
At start of year	63,891	653,481	717,372
Net expenditure on biological assets	42	7,420	7,462
Total cost biological assets	63,933	660,901	724,834
Gains from changes in fair value attributed to;			
- Biological transformation	4,827	110,450	115,277
- Price changes	3,496	-	3,496
Net fair value gain	8,323	110,450	118,773
Decrease due to harvesting for own use	(12,413)	(74,941)	(87,354)
At end of year	59,843	696,410	756,253

Notes (continued)

21 BIOLOGICAL ASSETS (Continued)

(a) Non – current assets (continued)

Group

Year ended 31 March 2025

	Timber trees Shs'000	Fuel trees Shs'000	Total Shs'000
At start of year	70,838	665,379	736,217
Net expenditure on biological assets	139	6,587	6,726
Total cost biological assets	70,977	671,966	742,943
Gains from changes in fair value attributed to;			
- Biological transformation	6,484	56,262	62,746
- Price changes	-	-	-
Net fair value gain	6,484	56,262	62,746
Decrease due to harvesting for own use	(13,570)	(74,747)	(88,317)
At end of year	63,891	653,481	717,372

Company

Year ended 31 March 2026

	Timber trees Shs'000	Fuel trees Shs'000	Total Shs'000
At start of year	21,742	197,392	219,134
Net expenditure on biological assets	41	1,023	1,064
	21,783	198,415	220,198
Gains from changes in fair value attributed to;			
- Biological transformation	2,530	30,756	33,286
- Price changes	1,710	-	1,710
Net fair value gain	4,240	30,756	34,996
Decrease due to harvest for own use	-	(35,707)	(35,707)
At end of year	26,023	193,464	219,487

Notes (continued)

21 BIOLOGICAL ASSETS (Continued)

(a) Non – current assets (continued)

Company (Continued)

Year ended 31 March 2025

	Timber trees Shs'000	Fuel trees Shs'000	Total Shs'000
At start of year	19,237	199,671	218,908
Net expenditure on biological assets	139	1,615	1,754
	19,376	201,286	220,662
Gains/ (losses) from changes in fair value attributed to;			
- Biological transformation	1,623	23,786	25,409
- Price changes	743	-	743
Net Fair value gain	2,366	23,786	26,152
Decrease due to harvest for own use	-	(27,680)	(27,680)
At end of year	21,742	197,392	219,134

(b) Current assets

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
At start of year	26,214	32,691	11,444	17,393
Gains/losses arising from changes in fair value attributable to physical changes	(1,986)	(6,477)	(1,062)	(5,949)
At end of year	24,228	26,214	10,382	11,444

Current assets comprise unharvested green leaf while the fuel and timber plantations are classified as non-current assets.

Notes (continued)

21 BIOLOGICAL ASSETS (Continued)

(c) Significant assumptions

The fair value of biological assets is estimated using the market approach. Timber plantations were revalued at 31 March 2023 by an independent valuation expert, Kenya Forestry Research Institute (KEFRI) using the lumpsum/ liquidation method; by applying the current residual market price of the trees.
The key significant assumptions made to determine the fair values of timber trees, fuel trees and unharvested green leaf are as set out below:

Timber and fuel trees assumptions.

- Firewood (fuel) selling prices represents the value that the Company can fetch (in cubic meters) upon harvest and delivery to a third party
- The selling price for timber represents the unit residual market price per cubic meter. The residual price is derived by taking the market price of processed timber less the transaction costs.
- A discount rate of 15.5% (2025: 17%) per annum is applied to discount the expected net cash flows arising from the future harvest of fuel plantations upon maturity.
- The maturity period of firewood and timber trees is between 5 and 15 years depending on the species of the tree.

Unharvested green leaf

- The company's average tea harvest cycle is 15 days. There is sufficient actual data immediately following the reporting date to be able to reliably estimate the agricultural produce at the reporting date.
- The harvest cycle is short enough (15 days) not to require discounting.
- The green leaf price that the company pays to its third party out-growers is a reasonable estimate of the price the company expects to fetch for sale of green leaf. Consequently, the out-grower rate has been used to fair value the unharvested green leaf at the reporting date.

The fair value of biological assets is sensitive to these assumptions, the more significant of which are as follows:

- A 10% movement in the market price for trees would result in a Shs 90,987,000 (2025: Shs 86,179,210) and Shs 25,811,000 (2025: Shs 25,703,000) (increase/decrease in the fair value of the timber and fuel trees for the Group and the Company respectively.
- A 1 percentage point upward movement in the discount rate used in determining the expected cashflows would result in a Shs 7,688,140 (2025: Shs 6,457,630) and Shs 2,771,360 (2025: Shs 1,894,000) decrease in the fair value of the fuel trees for the Group and the Company respectively.

Notes (continued)

21 BIOLOGICAL ASSETS (Continued)

Other qualitative and quantitative information

The total timber and fuel trees comprise approximately 477.74 hectares (2025: 446.38 hectares) of mature trees and 225.76 hectares (2025: 252.10 hectares) of immature trees (less than 5 years old) for Group and 127.37 hectares (2025: 111.22 hectares) for mature and 77.64 hectares (2025: 94.27 hectares) of immature trees for Company.

The group is exposed to risks arising from environmental and climatic changes, commodity prices and financing risks. The group's geographic spread of farms allows a high degree of mitigation against adverse climatic conditions such as droughts and floods and disease outbreaks. The group has strong environmental policies and procedures in place to comply with environmental and other laws. The group is exposed to risks arising from fluctuations in the price of timber trees. Sales of timber is widely advertised and done competitively to get the best possible sales price. Planting and upkeep of Timber and firewood trees require substantial capital in the first two years. The group actively manages the working capital requirements and has secured sufficient credit facilities to meet the cash flow requirements.

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

Description	Fair value as at		Unobservable input	Range of inputs (probability – weighted average)		Relationship of unobservable inputs to fair value
	31 March 2026 Shs 000	31 March 2025 Shs 000		31 March 2026	31 March 2025	
Biological assets	756,253	717,372	Discount rate	15.5%	17%	The higher the discount rate the lower the fair value

22 INVENTORIES

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Tea stocks	405,244	478,212	165,947	169,292
Firewood	34,980	27,249	13,986	7,904
Stores	243,584	213,725	130,339	125,307
Less: provision for stock obsolescence	(55,239)	(55,825)	(39,394)	(42,026)
	628,569	663,361	270,878	260,477

The cost of inventories recognized as an expense during the year was Shs 1.5 billion (2025: Shs 1.9 billion) and Shs 435 million (2025: Shs 506 million) for the Group and Company respectively. The cost of inventories recognized as an expense includes Shs 2.7 million (2025: Shs 4.2 million) and Shs (4.2) million (2025: Shs 2.8 million) in respect of provisions for slow moving inventory for the group and Company respectively.

Notes (continued)

23 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Trade receivables	118,246	205,215	62,209	59,997
Staff debtors	35,040	42,970	25,071	34,625
VAT recoverable	147,001	123,948	38,898	22,725
Prepayments and other receivables	85,368	199,627	53,065	58,963
Due from related parties (Note 33)	8,880	-	25,825	-
	394,535	571,760	205,068	176,310

24 CASH AND BANK BALANCES

Cash balances	571	492	531	214
Bank balances	395,902	540,102	148,250	417,488
	396,473	540,594	148,781	417,702
Short-term bank deposits	534,746	277,428	133,239	67,345
	931,219	818,022	282,020	485,047

The short-term bank deposits were maturing within 90 days after the year end. The average effective interest rate on the short-term deposits at the year-end was 8.20% (2025: 9.5% per annum).

25 SHARE CAPITAL

	2026 Shs'000	2025 Shs'000
Authorized:		
50,000,000 shares of Shs 5 each	250,000	109,454
Issued and fully paid:		
35,025,280 shares of Shs 5 each	175,126	87,563
At start of year	87,563	87,563
Bonus issue	87,563	-
At end of year	175,126	87,563

Notes (continued)

25 SHARE CAPITAL (continued)

OTHER RESERVES

Group	Revaluation reserve	Remeasurement during the year	Total
31 March 2026	**Shs'000**	**Shs'000**	**Shs'000**
At start of year	1,420,035	20,044	1,440,079
Other comprehensive income	-	3,609,656	3,609,656
Transfer of excess depreciation	(125,170)	-	(125,170)
Deferred income tax thereon	37,551	-	37,551
At end of year	1,332,416	3,629,700	4,962,116
31 March 2025			
At start of year	1,534,898	60,396	1,595,294
Other comprehensive income	-	(40,352)	(40,352)
Transfer of excess depreciation	(164,090)	-	(164,090)
Deferred income tax thereon	49,227	-	49,227
At end of year	1,420,035	20,044	1,440,079
Company			
31 March 2026			
At start of year	747,950	(783)	747,167
Other comprehensive income	-	10,217	10,217
Transfer of excess depreciation	(86,792)	-	(86,792)
Gain on revaluation of land net of deferred tax	-	1,560,068	1,560,068
Deferred income tax on excess depreciation	26,037	-	26,037
Transfer on disposal of assets	5,945	-	5,945
At end of year	693,140	1,569,502	2,262,642
31 March 2025			
At start of year	821,296	14,237	835,533
Other comprehensive income	-	(15,020)	(15,020)
Transfer of excess depreciation	(104,780)	-	(104,780)
Deferred income tax thereon	31,434	-	31,434
At end of year	747,950	(783)	747,167

Notes (continued)

26 NON – CONTROLLING INTERESTS

	2026 Shs'000	2025 Shs'000
At start of year	253,251	287,170
Share of profit/ (loss):		
- arising from operating activities	(1,314)	(15,110)
- arising from changes in fair value biological assets	6,070	2,065
	4,756	(13,045)
Share of other comprehensive income	125,932	(1,976)
Share of total comprehensive income	130,688	(15,021)
Dividends paid by Tinderet Tea Estates (1989) Limited	-	(18,898)
At end of year	383,939	253,251
Represented by:		
Holding in Tinderet Tea Estates (1989) Limited	18%	18%

Notes (continued)

27 DEFERRED INCOME TAX

Deferred income taxes are calculated on all temporary differences under the liability method using the enacted tax rate of 30% (2025: 30%). The net deferred taxation liability is attributable to the following items:

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
Deferred income tax liabilities:				
Property, plant and equipment	607,402	626,746	166,453	165,243
Revaluation gain on prepaid operating leases	553,998	-	275,306	-
Investment properties & other equities revaluation gain	107,029	89,295	77,315	63,050
Biological assets	207,805	196,988	62,180	61,862
Unrealised exchange gains	2,193	456	1,227	262
Post-employment benefits obligation	9,794	(55)	4,043	(336)
Provisions	303,437	279,297	222,160	188,707
	1,791,658	1,192,727	808,684	478,788
Deferred taxation assets:				
Unrealised exchange losses	(794)	(6,705)	(105)	(28)
Other deductible differences	(133,898)	(150,997)	(49,006)	(46,743)
	(134,692)	(157,702)	(49,111)	(46,771)
Net deferred income tax liability	1,656,966	1,035,025	759,573	432,017

The movement on deferred income tax is as follows:

At start of year	1,035,025	1,163,505	432,017	476,988
Charge for the year (Note 11)	13,082	(98,026)	(14,169)	(38,534)
Under/ (Over) provision in prior years	66,797	(3)	62,046	(2)
Deferred income tax on revaluation gain on leasehold land and post-employment obligation	542,062	(30,451)	279,679	(6,435)
At end of year	1,656,966	1,035,025	759,573	432,017

Notes (continued)

28 POST-EMPLOYMENT BENEFITS OBLIGATION

The Group provides service gratuity to its employees upon retirement or completion of service contracts based on the number of years of service and the terminal salary. The obligation for the service gratuity is based on an independent actuarial valuation, using the projected unit credit method, at the end of year. The movement in the balance in the year is as follows:

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
At start of year	214,509	144,067	83,908	53,809
Charge to profit or loss	40,046	33,502	15,838	13,605
Employer contributions- settlements in the year	(16,112)	(14,158)	(4,135)	(4,963)
Re-measurements recognised through OCI	(32,831)	51,098	(14,595)	21,457
At end of year	205,612	214,509	81,016	83,908

The significant actuarial assumptions used were as follows:

Discount rate (%)	12.4
Future salary increases (% p.a)	7.0
Mortality (pre-retirement)	A1945-1952
Mortality (post-retirement)	N/a
Retirement Age	Age 55

A sensitivity analysis has been determined on the discount rate and the future salary increase assumptions based on reasonably possible changes of the assumption occurring at the end of the reporting period, while holding all other assumptions constant:
If the discount rate is 1% higher/ (lower), the defined benefit obligation would decrease by Shs 11,329,000 (increase by Shs 12,540,000).
If the expected rate of salary growth increases/ (decreases) by 1%, the defined benefit obligation would increase by Shs 13,062,000 (decrease by Shs 11,936,000).

29 BORROWINGS

a) Loans

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Bank borrowing	51,945	102,654	-	-
The borrowings are repayable as follows:				
On demand and within one year	51,945	52,098	-	-
Between 1 to 5 years	-	50,556	-	-
	51,945	102,654	-	-

Notes (continued)

29 BORROWINGS (continued)

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
b) Analysis of changes in bank loan				
At start of year	102,654	151,963	-	-
Repayments in the year	(51,487)	(47,861)	-	-
Interest charge	(3,593)	7,176	-	-
Interest paid	3,593	(7,176)	-	-
Accrued interest	552	1,170	-	-
Exchange (loss)/gain on revaluation	226	(2,618)	-	-
At end of year	51,945	102,654	-	-

c) Interest rates

The average interest rates paid by the Group were as follows:	2026	2025
Asset finance loan- US$	3.4% + 90 days SOFR	3.4% + 90 days SOFR

d) Details of securities for loans and bank overdrafts

Borrowings relate to a secured asset finance credit facility of USD 1,900,000 from Absa Bank Kenya Plc taken out in April 2020. The purpose of the loan was to finance the acquisition of solar panels and battery storage equipment. The loan carries interest at 3.4% above the 3 months USD SOFR.

The loan securities are as follows:

Group

1. Joint and several debentures between Kaimosi Tea Estates Limited and Williamson Tea Kenya Plc to Absa Bank Kenya Plc stamped and registered to cover Shs 107 million.
2. Legal mortgage over LR Nos. 1892, 1893, 1894, 1895, 1896 and 1899 (Kaimosi Tea Estates Limited) registered and stamped to cover Shs 107 million supplemental to the debenture.
3. Fixed and floating debenture in the bank's standard form covering the assets of Kaimosi Tea Estates Limited, Williamson Tea Kenya Plc and Tea Properties Limited registered and stamped to cover Shs 318,676,140.
4. Charge over Property Title No. 1989 Kaimosi, 1896 Kaimosi, 1895 Kaimosi, 1894 Kaimosi, 1899 Kaimosi and 1892 Kaimosi in the name of Kaimosi Tea Estates Limited registered and stamped to cover Shs 318,676,140.

e) Undrawn facilities

The Group had undrawn committed borrowing facilities with various bankers amounting to Shs 376,177,810 (2025: Shs 374,544,453). The borrowing facilities consist of loans, bank overdrafts, letters of credit and guarantees.

There has not been any breach of loan covenants in the year (2025: Nil).

Notes (continued)

30 TRADE AND OTHER PAYABLES

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Trade payables	83,240	82,850	43,563	25,105
Payable to out-growers	100,821	83,528	23,778	30,354
Other payables and accrued expenses	172,090	280,257	107,526	92,997
Due to related parties	81,959	131,424	37,707	201,070
	438,110	578,059	212,574	349,526

31 DIVIDENDS PAYABLE

Group and Company

At start of year	86,490	113,433
Final dividend declared	175,126	262,690
Dividends paid	(176,200)	(289,633)
At end of year	85,416	86,490

Notes (continued)

32 CASH GENERATED FROM OPERATIONS

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
Profit before income tax	223,694	(254,991)	100,502	76,246
Adjustments for:				
Depreciation (Note 14)	403,434	484,165	177,519	239,539
Amortisation of right of use asset (Note 16)	7,743	7,743	5,687	5,687
Amortisation of intangible assets (Note 15)	452	909	250	527
Loss on disposal of plant and equipment	20,330	10,173	16,343	709
Share of results of investments accounted for using the equity method	(77,911)	(71,673)	-	-
Dividend income	-	-	(77,389)	(223,963)
Fair value adjustments - biological assets (Note 21 a)	(118,773)	(62,746)	(34,996)	(26,152)
Fair value adjustments - growing green leaf (Note 21 (b))	1,986	6,477	1,061	5,949
Decrease due to own use - fire wood and fuel trees (note 21 (a))	87,354	88,317	35,707	27,680
Unrealised exchange loss on borrowings (Note 29)	226	(2,618)	-	-
Interest expense on borrowings	4,144	7,509	-	-
Interest expense on lease liabilities (Note 35)	2,048	2,841	2,242	2,665
Interest income (Note 8)	(38,350)	(26,774)	(10,407)	(3,880)
Effect of exchange rate on cash and cash equivalent	(14,344)	(1,356)	(14,344)	(1,356)
Fair value gain on investment property	(117,957)	(23,120)	(95,000)	(8,000)
Post-employment benefits obligation	23,932	19,344	11,703	8,641
Fair value gain/(loss) on financial assets (Note 20)	(245)	923	(99)	373
Changes in working capital items:				
- inventories	34,793	367,035	(10,400)	124,879
- trade and other receivables	177,225	56,782	(28,758)	87,870
- trade and other payables	(139,949)	(34,602)	(136,952)	129,330
- working capital for the discontinued operations	(153)	(657)	-	-
Cash generated from operations	479,679	573,681	(57,331)	446,744

Notes (continued)

33 RELATED PARTY TRANSACTIONS

The immediate holding company is Ngong Tea Holdings Limited, a company incorporated in the United Kingdom. The ultimate holding company is Ngong Tea Ltd, a company incorporated in the United Kingdom. The Group and Company transacts with other companies related to them by virtue of common shareholding.

During the year, the following transactions were entered into with related parties:

	2026 Shs'000	2025 Shs'000
Royalties and licenses (George Williamson & Co Limited – parent)	135,250	106,315
Agency commission and charges received (Kapchorua Tea Company Limited – associate)	65,185	89,389

The outstanding balances with related parties were as follows:

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Due from /(to) associate company				
Kapchorua Tea Kenya Plc	8,880	(69,656)	8,766	(69,656)

	2026 Shs'000	2025 Shs'000
Due from /(to) subsidiary companies		
Kaimosi Tea Estates Limited	13,235	(38,474)
Tinderet Tea Estates (1989) Limited	3,824	(55,134)
	17,059	(93,608)
Due to subsidiary company		
Tea Properties Limited	13,779	14,878
Williamson Power Limited	23,928	23,928
	37,707	38,806

Terms of the related party balances

The above related party balances arise from normal course of business and are interest free, unsecured and have no fixed repayment terms.

Notes (continued)

33 RELATED PARTY TRANSACTIONS (Continued)

Compensation of Directors and key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	2026 Shs'000	2025 Shs'000
Non-executive directors' emoluments		
Fees and allowances for services as directors	16,514	15,810
Executive and key management compensation		
Executive fees and allowances	106,015	84,810
Key management compensation	44,790	51,993
	150,805	136,803

The remuneration for Directors and key management is determined by the Board members having regard to the performance of individuals and market trends.

34 CAPITAL COMMITMENTS

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
Authorized but not contracted for	108,781	119,617	43,125	20,115
Authorized and contracted for	213,632	111,455	58,320	35,961
	322,413	231,072	101,445	56,076

Capital commitments include land development activities and purchase of various machines for production purposes. The Group intends to finance these commitments from internally generated funds, asset financing from the banks and loans.

35 LEASE LIABILITIES

	Group		Company	
	2026 Shs'000	2025 Shs'000	2026 Shs'000	2025 Shs'000
At start of year	28,676	34,281	26,727	30,753
Additions	-	-	-	-
Interest expense on lease liabilities	2,048	2,841	2,242	2,665
Interest payments	(2,048)	(2,841)	(2,242)	(2,665)
Principal payments	(6,733)	(5,605)	(4,784)	(4,026)
At end of year	21,943	28,676	21,943	26,727

Notes (continued)

35 LEASE LIABILITIES (Continued)

	Group		Company	
	2026	2025	2026	2025
	Shs'000	Shs'000	Shs'000	Shs'000
Maturity analysis				
Year 1	7,377	8,975	7,377	7,026
Year 2	7,746	7,377	7,746	7,377
Year 3	8,133	7,746	8,133	7,746
Year 4	2,058	8,133	2,058	8,133
Year 5	-	2,058	-	2,058
Undiscounted lease payments at the end of the year	25,314	34,289	25,314	32,340
Less: unearned interest	(3,371)	(5,613)	(3,371)	(5,613)
	21,943	28,676	21,943	26,727
Analysed as:				
Current	5,635	6,733	5,635	4,784
Non-current	16,308	21,943	16,308	21,943
	21,943	28,676	21,943	26,727

36 CONTINGENT LIABILITIES

The Group and the Company are exposed to various contingent liabilities in the normal course of business. The Directors evaluate the status of these exposures on a regular basis based on advice from the legal advisors to assess the probability of the company incurring related liabilities. However, provisions are only made in the financial statements where, based on the Directors' evaluation, a probable obligation has been established. As at 31 March 2026, there were no material contingent liabilities (2025: Nil).

The Group has guarantees amounting to Shs 21,500,000 (Company: Shs 10,000,000), issued on its behalf by banks in the normal course of business from which it is anticipated that no material liabilities will arise.

37 CAPITAL MANAGEMENT

The Group and the Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.
The capital structure of the Group and the Company consist of debt, which includes the borrowings disclosed in Note 29, cash and cash equivalents and equity attributable to equity holders, comprising issued capital, revaluation reserve and retained earnings.

Consistent with others in the industry, the Group and the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital.

Notes (continued)

37 CAPITAL MANAGEMENT (Continued)

	Group 2026 Shs'000	2025 Shs'000
Share capital	175,126	87,563
Other reserves	4,962,116	1,440,079
Retained earnings	4,481,321	4,540,348
Equity	9,618,563	6,067,990
Total borrowings	51,945	102,654
Total lease liabilities	21,943	28,676
Less: cash and cash equivalents	(931,219)	(818,022)
Net (asset)	(857,331)	(686,692)
Gearing ratio	N/A	N/A

38 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Risk management is carried out by the finance department under policies approved by the Board of Directors. Finance department identifies, evaluates and hedges financial risks as appropriate. The Board guidance on the overall risk management, as well as directors' policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investing excess liquidity.

Financial risks arising from use of financial instruments

The Group has exposure to the following risks due to its use of financial instruments:

- credit risk;
- liquidity risk and
- market risk.

Credit risk

Credit risk is managed on a Group-wide basis. Credit risk arises from cash and cash equivalents, deposits with banks, as well as trade receivables. The credit risk on liquid funds and bank balances is limited because the counter parties are banks with high credit ratings assigned by international credit rating agencies. The Group management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (Continued)

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12 – month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The tables below detail the credit quality of the Group's financial assets, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

31 March 2026

	Note	Internal/ external rating	12 months or lifetime ECL	Gross carrying amount Shs'000	Loss allowance Shs'000	Net amount Shs'000
Group						
Trade and other receivables	23	Performing	Lifetime ECL (simplified approach)	118,246	-	118,246
Staff receivables	23	Performing	General measurement model	35,040	-	35,040
Due from associate company	33	Performing	General measurement model	8,880	-	8,880
Bank balance	24	Performing	12 months ECL	395,902	-	395,902
Short term deposits	24	Performing	12 months ECL	534,746	-	534,746
				1,092,814	-	1,092,814

31 March 2025

Group						
Trade and other receivables	23	Performing	Lifetime ECL (simplified approach)	205,215	-	205,215
Staff receivables	23	Performing	General measurement model	42,970	-	42,970
Due from associate company	33	Performing	General measurement model	-	-	-
Bank balance	24	Performing	12 months ECL	540,102	-	540,102
Short term deposits	24	Performing	12 months ECL	277,428	-	277,428
				1,065,715	-	1,065,715

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Credit risk (continued)

31 March 2026	Note	Internal/ external rating	12 months or lifetime ECL	Gross carrying amount Shs'000	Loss allowance Shs'000	Net amount Shs'000
Company						
Trade and other receivables	23	Performing	Lifetime ECL (simplified approach)	62,209	-	62,209
Staff receivables	23	Performing	General measurement model	25,071	-	25,071
Bank balance	24	Performing	12 months ECL	148,250	-	148,250
Short term deposits	24	Performing	12 months ECL	133,239	-	133,239
				368,769	-	368,769

31 March 2025 Company						
Trade and other receivables	23	Performing	Lifetime ECL (simplified approach)	59,997	-	59,997
Staff receivables	23	Performing	General measurement model	34,625	-	34,625
Bank balance	24	Performing	12 months ECL	417,488	-	417,488
Short term deposits	24	Performing	12 months ECL	67,345	-	67,345
				579,455	-	579,455

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Credit risk (continued)

Bank Balances

Bank balances and bank deposits are not restricted and include deposits held with banks that have high credit ratings. Bank balances and bank deposits are thus considered as performing.

Trade receivables
For trade receivables, the company has applied the simplified approach in the IFRS 9 to measure the loss allowance. All receivables are within 90 days from the end of the reporting period and thus no need for impairment.

Trade receivables are considered to be low risk as the Group and Company mainly makes sales through auctions which have a short credit period and are regulated and to export customers who are required to make payments before the goods can be collected at the port. On that basis, the loss allowance as at 31 March 2026 was determined as follows for trade receivables:

Group
Trade and other receivables – days past due

2026	Not Due	< 30	31 – 60	61 - 120	120 - 150	Total
Gross carrying amount -Trade receivables (Shs)	29,950	101,749	-	-	-	131,700
Expected credit loss allowance (Shs)	-	-	-	-	-	-
Net amount	79,201	31,190	54,379	100	-	164,870

Group
Trade and other receivables – days past due

2025	Not Due	< 30	31 – 60	61 - 90	91 - 120	Total
Gross carrying amount -Trade receivables (Shs)	150,992	9,546	33,601	11,076	-	205,215
Expected credit loss allowance (Shs)	-	-	-	-	-	-
Net amount	150,992	9,546	33,601	11,076	-	205,215

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Credit risk (continued)

Staff receivables

The company has applied the general measurement model in the IFRS 9 to measure the loss allowance for staff receivables. The company has put in place measures to ensure all amounts due from members of staff are recovered over a maximum of 6 years or upon separation, whichever comes earlier. Motor Vehicle purchased is co-owned with the company and therefore forms collateral for the loan. The value of other loans granted is capped at 75% of pension saved with the staff provident fund, and therefore the savings form collateral for the loan(s). On this basis, therefore, the company has not provided for impairment losses. The collateral for the employees with development loans as at year end amounted to Shs 30,106,000.

Credit risk – Increase/decrease of ECL rate by 10%.

If the ECL rates on trade receivables had been 10% higher (lower) as of 31 March 2026, the loss allowance on trade receivables would have been Shs Nil (2025: Nil) and Shs Nil (2025: Nil) higher (lower) for Group and Company respectively.

The credit risk on liquid funds with financial institutions is also low, because the counter parties are banks with high credit-ratings and are fully performing.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows to ensure it has sufficient cash to meet its operational needs.

The following table analyses the Group's financial liabilities and assets that will be settled/mature on a net basis into relevant maturity groupings based on the remaining period at the end of the financial statement position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant

Group Financial liabilities At 31 March 2026	Up to 1month Shs'000	2-3 months Shs'000	4-12 Months Shs'000	1-5 years Shs'000	Over 5 years Shs'000	Total Shs'000
Trade payables	83,240	-	-	-	-	83,240
Borrowings	4,693	14,163	34,430	-	-	53,286
Lease liabilities	1,777	1,866	3,733	17,938	-	25,314
	89,334	14,819	38,408	17,938	-	160,499

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Liquidity risk (continued)

At 31 March 2025

Trade payables	98,124	-	-	-	-	98,124
Borrowings	4,657	13,288	35,924	96,818	-	150,687
Lease liabilities	1,692	3,999	5,335	25,314	-	36,340
	104,473	17,287	41,259	122,132	-	285,151

Company	Up to 1month Shs'000	2-3 months Shs'000	4-12 months Shs'000	2-5 years Shs'000	Over 5 years Shs'000	Total Shs'000
Financial liabilities						
At 31 March 2026						
Trade payables	43,563	-	-	-	-	43,563
Lease liabilities	1,777	1,866	3,733	17,938	-	25,314
Due to associate company	13,779	-	-	-	-	13,779
	59,119	1,866	3,733	17,938	-	82,656
At 31 March 2025						
Trade payables	25,105					25,105
Lease liabilities	1,692	1,777	3,555	25,314	-	32,338
Due to associate company	14,878	-	-	-	-	14,878
	41,675	1,777	3,555	25,314	-	72,321

Market risk

Market Risk is the risk of loss arising from potential adverse changes in the value of the group assets and liabilities due to fluctuations in market risk factors such as interest rate risk (IRR) and foreign exchange rates (FX risk)

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency. In order to manage the foreign exchange risk, the group deal with the major currency that can withstand market pressures. Exchange rate exposures are also managed within approved policy parameters and hedging. The sensitivity analysis below shows the Company did not have material exposure to foreign exchange risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Market risk (continued)

(i) Foreign exchange risk (continued)

Group

2026	USD Shs'000	GBP Shs'000	EURO Shs'000
Financial assets			
Bank and cash balances	357,423	736	12,540
Trade receivables	135,103	-	-
Financial liabilities			
Trade payables	(6,035)	-	-
Borrowings	(51,945)	-	-
Net assets	434,546	736	12,540

2025	USD Shs'000	GBP Shs'000	EURO Shs'000
Financial assets			
Bank and cash balances	560,009	1,127	14,418
Trade receivables	201,132	3,710	-
Financial liabilities			
Trade payables	(5,783)	-	-
Borrowings	(102,654)	-	-
Net assets	652,704	4,837	14,418

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (continued)

Financial risks arising from use of financial instruments (continued)

Market risk (continued)

(i) Foreign exchange risk (continued)

Company

2026 Financial assets	USD Shs'000	GBP Shs'000	EURO Shs'000
Bank and cash balances	114,840	500	12,540
Trade receivables	62,128	-	-
Financial liabilities			
Trade payables	(4,607)	-	-
Net assets	172,361	500	12,540

2025			
Financial assets			
Bank and cash balances	366,462	735	14,418
Trade receivables	59,997	-	-
Financial liabilities			
Trade payables	(817)	-	-
Net assets	425,642	735	14,418

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (Continued)

Financial risks arising from use of financial instruments (continued)

Market risk (Continued)

(i) Foreign exchange risk (Continued)

Foreign exchange risk – appreciation/depreciation of Sh against other currencies by 1%.

1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The following sensitivity analysis shows how profit and equity would change if the market risk variables had been different at the end of the reporting period with all other variables held constant.

	2026 Shs'000		2025 Shs'000	
	Effect on profit	**Effect on equity**	**Effect on Profit**	**Effect on equity**
Currency - GB pounds				
+ 1 percentage point movement	7	5	48	34
- 1 percentage point movement	(7)	(5)	(48)	(34)
Currency - US dollars				
+ 1 percentage point movement	4,345	3,041	6,527	4,569
- 1 percentage point movement	(4,345)	(3,041)	(6,527)	(4,569)
Currency - Euro				
+ 1 percentage point movement	125	88	144	101
- 1 percentage point movement	(125)	(88)	(144)	(101)

(iii) Interest rate risk

Interest rate risk is the risk that the future cash flows of financial instruments will fluctuate because of changes in the market interest rates. This risk may arise from fluctuations in the bank borrowing rates. The interest rates vary from time to time depending on the prevailing economic circumstances. The Group closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.

Notes (continued)

38 FINANCIAL RISK MANAGEMENT (Continued)

Financial risks arising from use of financial instruments (continued)

Interest rate risks (Continued)

Interest rate risks – increase/decrease of 1% in net interest margin

The assumed movement in interest rate sensitivity analysis is based on the currently observable market environment. 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The following sensitivity analysis shows how profit and equity would change if the market risk variables had been different at the end of the reporting period with all other variables held constant.

	2026 Shs'000		2025 Shs'000	
	Effect on profit	Effect on equity	Effect on profit	Effect on equity
+1 percentage point movement	1,063	744	268	188
- 1 percentage point movement	(1,063)	(744)	(268)	(188)

The Group is exposed to financial risks arising from changes in tea prices. The Group reviews its outlook for tea prices regularly in considering the need for active financial risk management.

39 FAIR VALUE OF ASSETS AND LIABILITIES

a) Fair value hierarchy

The table below shows an analysis of all assets and liabilities measured at fair value in the financial statements or for which fair values are disclosed in the financial statements by level of the fair value hierarchy. These are grouped into levels 1 to 3 based on the degree to which the fair value is observable.

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices); and

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes (continued)

39 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

a) Fair value hierarchy (continued)

Group	Level 1 Shs'000	Level 2 Shs'000	Level 3 Shs'000
31 March 2026			
Assets			
Investment properties	-	506,200	-
Property, plant and equipment			
-Buildings	-	-	699,768
-Machinery and equipment	-	-	1,553,857
Biological assets:			
-Timber and fuel trees	-	-	756,253
-Un-harvested green leaf	-	24,228	-
31 March 2025			
Assets			
Investment properties	-	410,000	-
Property, plant and equipment			
-Buildings	-	-	1,205,486
-Machinery and equipment	-	-	1,626,499
Biological assets:			
-Timber and fuel trees	-	-	717,372
-Un-harvested green leaf	-	26,214	-

Notes (continued)

39 FAIR VALUE OF ASSETS AND LIABILITIES (Continued)

a) Fair value hierarchy (Continued)

Company	Level 1 Shs'000	Level 2 Shs'000	Level 3 Shs'000
31 March 2026			
Assets			
Investment properties	-	505,000	-
Property, plant and equipment			
-Buildings	-	-	332,090
-Machinery and equipment			456,512
Biological assets			
- Timber and fuel trees	-	-	219,487
- Un-harvested green leaf	-	10,382	-
31 March 2025			
Assets			
Investment properties	-	410,000	-
Property, plant and equipment			
- Buildings	-	-	784,326
- Machinery and equipment			548,987
Biological assets			
- Timber and fuel trees	-	-	219,134
- Un-harvested green leaf	-	11,444	-

40 OPERATING LEASE COMMITMENTS

The Group as a lessor

Property rental income earned during the year amounted to Shs 6,066,040 (2025: Shs 4,827,310). At the end of the reporting period, the Group had contracted with tenants for the following future lease receivables.

	2026 Shs'000	2025 Shs'000
Within one year	5,612	6,014

Leases are negotiated for an average term of six years for both residential properties and non-residential properties, and rentals are reviewed annually. The leases are cancellable with no penalty when the tenants give three months' notice to vacate the premises.

Notes (continued)

41 DISCONTINUED OPERATIONS

In the financial year ended 31 March 2021, the directors recommended a voluntary wind up of Williamson Power and was approved by the shareholders of Williamson Tea Kenya Plc. The entity effectively ceased to be a subsidiary of Williamson Tea Kenya Plc. The decision to dispose Williamson Power Limited was consistent with the Group's long-term policy of focusing on its core business of cultivation, manufacture and sale of tea. Williamson Power operations have since been classified as a disposal held for sale and presented separately in the Group statement of financial position.

The results of the discontinued operations, which have been included in the profit for the year, were as follows:

	2026 Shs'000	2025 Shs'000
Administrative expenses	(153)	(657)
Profit/ (loss) before income tax	(153)	(657)
Tax expense	-	-
Loss after income tax	(153)	(657)
Trade and other receivables	597	597
Due from group companies	23,928	23,928
Tax recoverable	6,385	6,385
Cash and bank balances	925	1,078
Net assets classified as held for sale	31,835	31,988

42 EVENTS AFTER PERIOD END

There are no subsequent events after the financial year end that could significantly impact the financial statements for the year ended 31 March 2026.

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